

# CITY OF LOS ANGELES

CALIFORNIA

JUNE LAGMAY  
City Clerk

KAREN E. KALFAYAN  
Executive Officer

HOLLY L. WOLCOTT  
Executive Officer



ANTONIO R. VILLARAIGOSA  
MAYOR

Office of the  
CITY CLERK

Council and Public Services  
Room 395, City Hall  
Los Angeles, CA 90012  
General Information - (213) 978-1133  
Fax: (213) 978-1040

KONRAD CARTER  
Acting Chief, Council and Public Services  
Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

December 28, 2009

PLACE IN FILES  
JAN 1 2010  
DEPUTY

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council file  
No. 09-0600-S142, at its meeting held December 16, 2009.

City Clerk  
et

# CITY OF LOS ANGELES SPEAKER CARD

Sp 1 ✓

Date  
12-14-2009

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.  
09-0600-5142

I wish to speak before the City Council  
RE: PUBLIC SAFETY COMMITTEE  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ☒ For proposal  
☐ Against proposal  
☐ General comments

Name: MARIE-ANNE BALTHARD

Business or Organization Affiliation: H.E.L.P.E.R. FOUNDATION

Address: 9100 S. SEPULVEDA BLVD #128 LA. CA. 90045-4832  
Street City State Zip

Business phone: 310 665 9730 Representing: PUBLIC SAFETY COMMITTEE

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

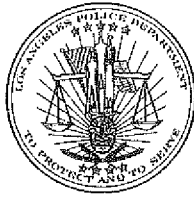
Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
Street City State Zip

Please see reverse of card for important information and submit this entire card to the presiding officer or chairperson.

NOTE: THIS IS A PUBLIC DOCUMENT.

# LOS ANGELES POLICE DEPARTMENT



**CHARLIE BECK**  
Chief of Police

P. O. Box 30158  
Los Angeles, CA 90030  
Telephone: (213) 486-4720  
TDD: (877) 275-5273  
Ref #: 10.4

**ANTONIO R. VILLARAIGOSA**  
Mayor

December 3, 2009

Mr. John White, Legislative Assistant  
C/O. City Clerk's Office  
Office of the City Council  
City Hall, Room 395  
Los Angeles, California 90012

Mr. John White:

On October 23, 2009, the City Council reaffirmed the Mayor and Council's original 2009/10 sworn hiring plan allowing the Los Angeles Police Department (LAPD) to hire to attrition and maintain a sworn deployment of 9,963 officers (C.F. 09-0600-S142, enclosed). As per Motion No. 21, the LAPD is reporting its latest hiring and attrition number (enclosed) for the Public Safety and Personnel Committees' Joint meeting scheduled for Monday, December 7, 2009.

It is the LAPD's position to go forward with the hiring of the January 2010 recruit class, with a hiring notice by December 18, 2009.

Please contact me at (213) 486-4720, if you should have any questions.

Very truly yours,

**CHARLIE BECK**  
Chief of Police

A handwritten signature in black ink, appearing to read "James H. Cansler".

**JAMES H. CANSLER**, Commander  
Commanding Officer  
Personnel Group

Enclosures

## Monthly Hiring/ Attrition Tracking Fiscal Year 2009-2010

ITEM	DP 11 - 09		DP 12 - 09		DP 13 - 09		DP 1 -2010		DP 2 -2010		DP 3 -2010		DP 4 -2010		DP 5 -2010		DP 6 -2010	
<sup>a</sup> Number of Officers on the Police Force	10,018		9,987															
<sup>b</sup> Number of Officers currently in Academy	243		192															
<sup>c</sup> Number of Recruits scheduled to enter Academy	0		0															
<sup>d</sup> Planned Academy classes for remainder of fiscal year	6		6															
<sup>e</sup> Actual number of Officers enrolled in DROP program	564		554															
<sup>f</sup> Actual number of Officers enrolled in DROP program that must retire in next 12 months and the month they must retire	Nov. 2009	7	Dec. 2009	1	Dec. 2009		Jan. 2010		Feb. 2010		Mar. 2010		Apr. 2010		May. 2010		June 2010	
	Dec. 2009	1	Jan. 2010	4	Jan. 2010		Feb. 2010		Mar. 2010		Apr. 2010		May. 2010		June 2010			
	Jan. 2010	4	Feb. 2010	6	Feb. 2010		Mar. 2010		Apr. 2010		May. 2010		June 2010					
	Feb. 2010	6	Mar. 2010	10	Mar. 2010		Apr. 2010		May. 2010		June 2010							
	Mar. 2010	10	Apr. 2010	7	Apr. 2010		May. 2010		June 2010									
	Apr. 2010	7	May. 2010	10	May. 2010		June 2010											
	May. 2010	10	June 2010	3	June 2010													
	June 2010	3																
<b>TOTAL</b>	<b>48</b>		<b>41</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	
<sup>g</sup> Actual number of Officers that have retired from LAPD	49		57															
<sup>h</sup> Actual number of Officers that have attrited from LAPD and Police Academy	144		175															
<sup>i</sup> Number of Officers on permanent and long term restricted duty	451		451															
<sup>j</sup> Number of Officers hired back to Department on Bounce Program	0		0															

\* Last Updated 12-02-09

\* Currently there is (1) Bounce employee who will separate on 01/04/10.

CITY OF LOS ANGELES  
CALIFORNIA



ANTONIO R. VILLARAIGOSA  
MAYOR

JUNE LAGMAY  
City Clerk

KAREN E. KALFAYAN  
Executive Officer

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KONRAD CARTER  
Acting Chief, Council and Public Services  
Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

November 3, 2009

To All Interested Parties:

The City Council adopted the action(s), as attached, under

Council file No. 09-0600-S142 , at its meeting held October 30, 2009.

City Clerk  
os

21

File No. 09-0600-S142

TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your

BUDGET AND FINANCE Committee

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to updated operational plans and continued consideration of the Committee's Minority Report recommendation Nos. 3,4,5,6 and 15 relative to the 2009-10 Budget Balancing Operational Plan.

Recommendations for Council action:

1. CONSIDER this item in conjunction with the tentative agreement with the Coalition of Los Angeles City Unions (Coalition), the Early Retirement Incentive Program (ERIP), and the tentative agreement with the Los Angeles Police Protective League (LAPPL).
2. REFER the Budget and Finance Committee Minority Report Recommendation Nos. 3, 4, 5, 6 and 15 back to the Budget and Finance Committee for continued consideration if the tentative agreement with the Coalition and ERIP are not approved by the Council.
3. APPROVE the following recommendations if the tentative agreement with the Coalition and ERIP are approved by Council:
  - a. Receive and file Budget and Finance Committee Minority Report Recommendation Nos. 3, 4, 5, 6 and 15.
  - b. Instruct departments to implement the Coalition agreement and to work with the City Administrative Officer (CAO) and Chief Legislative Analyst (CLA) to determine projected current year savings by source of funds and to report any remaining budgetary gap by source of funds within two weeks of its approval.
  - c. Instruct departments and the CAO/CLA to report back within 30-days with operational plans, including service level impacts, to close any budgetary gaps identified under 3.b. above.
  - d. Instruct the CAO/CLA to develop and implement tools that will facilitate the monitoring of savings identified in the Coalition agreement and to report monthly to Council on the actual savings generated.
  - e. Instruct departments and the Personnel Department to begin the layoff process/placement of all non-coalition position eliminations included in the 2009-10 Adopted Budget and the September 11, 2009 Budget Balancing Operational Plan Report to Council.
  - f. Instruct departments and the CAO/CLA to report back to Council in January with the actual ERIP participation counts, projected current year savings, and service level impacts.
  - g. Instruct the CAO/CLA to monitor and report monthly to Council on the actual savings generated by ERIP.

4. APPROVE the following recommendations if the tentative agreement with LAPPL is approved by the Council:
- a. Instruct the Los Angeles Police Department (LAPD) to implement the LAPPL agreement and to work with the CAO and CLA to determine projected current year savings and to report any remaining budgetary gap within two weeks of its approval.
  - b. Instruct the LAPD and the CAO/CLA to report back within 30-days with an operational plan, including service level impacts, to close any budgetary gaps identified under 4.a. above.
  - c. Instruct the CAO/CLA to develop and implement tools that will facilitate the monitoring of savings identified in the LAPPL agreement and to report monthly to Council on the actual savings generated.

Fiscal Impact Statement: Neither the CAO nor the CLA have completed a financial analysis of this report.

Community Impact Statement: None submitted

#### SUMMARY

At its meeting of October 26, 2009, the Budget and Finance Committee considered updated operational plans and continued consideration of the Committee's Minority Report recommendation Nos. 3,4,5,6 and 15 relative to the 2009-10 Budget Balancing Operational Plan. The CAO submitted recommendations in Committee relative to actions the Council should take if, on October 30, 2009, the Council approves the tentative agreement with the Coalition, the ERIP, and the tentative agreement with LAPPL. Recommendations are also provided should the Council not approve these tentative agreements.

The CAO reported that the ERIP was ratified by the Coalition of City Unions on September 23, 2009, and will be considered by the Council on October 30, 2009. Additionally, the CAO has received ratification from the LAPPL of a tentative agreement with the LAPD. Combined, these two labor agreements represent nearly \$200 million in savings for this fiscal year, and additional savings for next year and following years. The CAO reported that the City still has a significant problem, and that the City needs to remain vigilant, particularly to as it relates to issues involving civilian cash overtime which is projected to be \$22 million this fiscal year, and sworn overtime which through the tentative agreement with the LAPPL represents a \$45 million savings. The CAO additionally has identified \$9 million in targeted solutions which equates to the elimination of 251 positions, which will not include Coalition members or LAPD personnel represented by the LAPPL. Remaining bargaining units which have not concluded negotiations with the CAO will be affected by the proposed lay-offs. The CAO recommends that departments be instructed to work with the CAO and CLA to determine projected current-year savings by source of funds and to report any remaining budgetary gap by source of funds within two weeks of the proposed ERIP, if approved by the Council. Additionally, the CAO recommends that departments report back within 30-days with operational plans, including service level impacts, to assist the Council in quickly addressing remaining budgetary gaps in January when the Mid-Year Financial Status Report is released.

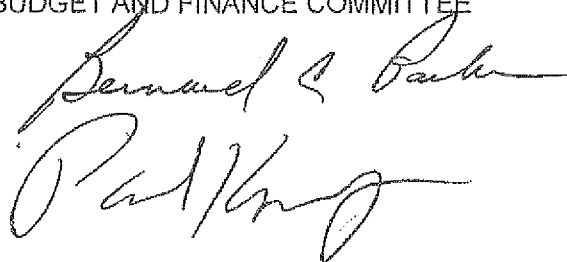
This Committee report reflects the actions taken by the Budget and Finance Committee relative to updated operational plans and continued consideration of the Committee's Minority Report recommendation Nos. 3,4,5,6 and 15 relative to the 2009-10 Budget Balancing Operational Plan.

This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
SMITH:	ABSENT
ROSENDAHL:	YES
HUIZAR:	ABSENT
KORETZ:	YES



LB  
09-0600-S142\_rpt\_bfc\_10-27-09

**ADOPTED**  
*AS Amended*  
OCT 30 2009

LOS ANGELES CITY COUNCIL

*See Attached  
Motions*

-NOT OFFICIAL UNTIL COUNCIL ACTS-

ITEM NO. 21 A


## MOTION

I MOVE that the Budget and Finance Committee Report relative to updated operational plans and continued consideration of the Committee's Minority Report, Item No. 21 (C.F. 09-0600-S142) on today's Council Agenda, be amended to add the following recommendation for Council action:

3. APPROVE the following recommendations if the tentative agreement with the Coalition and ERIP are approved by Council:

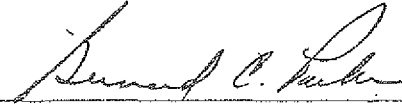
h. Instruct the Personnel to coordinate job-sharing matches for employees who wish to work half-time, rather than full-time, at the discretion of each General Manager, as a budgetary cost saving measure.

PRESENTED BY

  
JANICE HAHN

Councilmember, 15<sup>th</sup> District

SECONDED BY



ORIGINAL

*Amending Motion*  
**ADOPTED**

OCT 30 2009

LOS ANGELES CITY COUNCIL

OCT 30 2009



VERBAL MOTION

I HEREBY MOVE that Council AMEND the Budget and Finance Committee Report (Item No. 11, CF 09-0600-S142) relative to updated operational plans and continued consideration of the Committee's Minority Report recommendation nos. 3,4,5,6 and 15 relative to the 2009-10 Budget Balancing Operational Plan, as follows:

AMEND Recommendation No. 3 e to adopt the following in lieu of the original recommendation:

- e. INSTRUCT departments and the Personnel Department to begin the layoff process/placement of all non-coalition position eliminations included in the 2009-10 Adopted Budget and the September 11, 2009 Budget Balancing Operational Report to Council.
- 1) Instruct the Personnel Department to calculate all necessary layoffs through December 19, 2009.
  - 2) Instruct the General Managers, of those affected departments, to identify the number and classification of employees within the same service category or program required to be laid off to achieve the operation plan savings and submit the list to the Personnel Department by December 31, 2009.

PRESENTED BY \_\_\_\_\_  
BERNARD C. PARKS  
Councilmember, 8th District

SECONDED BY \_\_\_\_\_  
BILL ROSENDAHL  
Councilmember, 11th District

October 30, 2009

CF 09-0600-S142

**ADOPTED**

OCT 30 2009

LOS ANGELES CITY COUNCIL

Mayor's Time Stamp  
OFFICE OF THE MAYOR  
RECEIVED

2009 DEC 21 PM 3:16

CITY OF LOS ANGELES

**FORTHWITH**

City Clerk's Time Stamp  
RECEIVED  
CITY CLERK'S OFFICE

2009 DEC 21 PM 2:58

CITY CLERK

BY \_\_\_\_\_  
DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 09-0600-S142

COUNCIL DISTRICT \_\_\_\_\_

COUNCIL APPROVAL DATE DECEMBER 16, 2009

RE: LOS ANGELES POLICE DEPARTMENT HIRING AND ATTRITION TRIGGERS

LAST DAY FOR MAYOR TO ACT DEC 31 2009  
(10 Day Charter requirement as per LAAC Section 4.133)

---

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

---

APPROVED  
✓  
\_\_\_\_\_

\*DISAPPROVED  
\_\_\_\_\_

\*Transmit objections in writing  
pursuant to LAAC Section 4.133

DATE OF MAYOR APPROVAL OR DISAPPROVAL DEC 23 2009

  
\_\_\_\_\_  
MAYOR

RECEIVED  
CITY CLERK'S OFFICE  
2009 DEC 23 PM 4:22  
CITY CLERK  
BY \_\_\_\_\_  
DEPUTY

62  
TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

File No. 09-0600-S142

Your

**PUBLIC SAFETY and  
PERSONNEL COMMITTEES**

report as follows:

PUBLIC SAFETY REPORT and COMMUNICATION FROM CHAIR, PERSONNEL COMMITTEE relative to Police Department hiring and attrition triggers.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ADOPT Modified Hiring Plan A, as contained in Attachment 1 of the City Administrative Officer (CAO) report to the Mayor and Council dated December 11, 2009 (attached to the Council file), which is consistent with the Mayor and Council action to hire to attrition with a base of 9,963 officers and projects attrition based on current trends.
2. ADOPT the following police officer hiring formula:

If projected sworn deployment, based on the CAO's analysis, falls 20 or more below the Council authorized deployment target, currently set at 9,963 officers, in a pay period in which a class is currently scheduled to begin, the Police Department will be authorized to hire a class, up to 45, to return projected deployment in the same pay period to 9,963. If projected deployment is less than 20 below the Council authorized deployment target, currently set at 9,963 officers, in a pay period in which a class is currently scheduled to begin, the Police Department will defer the class.
3. DIRECT the CAO to issue a monthly report that determines if new classes are needed and at what size based on the aforementioned formula.
4. DIRECT the Police Department to hire all future classes to meet actual attrition by the end of the fiscal year, consistent with the hiring formula, and fill the remaining training slots with recruits from airports, port and/or other police departments and receive full reimbursement for all costs.

Fiscal Impact Statement: The CAO reports that adopting Modified Hiring Plan A will increase the Police Department's Reserve Fund obligation by \$4,123,905.

Community Impact Statement Submitted: None

SUMMARY

In the December 11, 2009 report to the Mayor and Council, the CAO presents Modified Hiring Plan A, as stated above. This formula is based on the following parameters:

- Hire a class of 21 on January 4, 2010.
- Revise attrition projections through the end of the fiscal year to two-thirds of original plan.

- Determine class size each deployment period based on catching up to 9,963 with each class.
- If less than 20 hires are needed to reach 9,963, no class will be hired.
- Finish pay period 26 at 9,963.

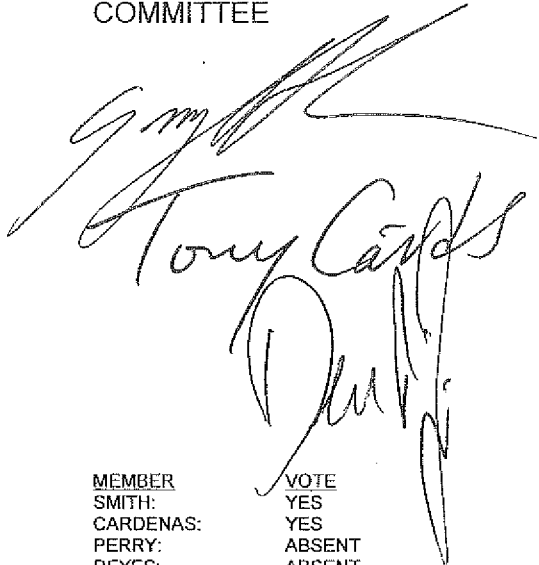
The CAO reports that Modified Hiring Plan A complies with all of the above parameters, with one exception caused by the calendar: the last class (hired in pay period 25) puts the number above 9,963 because that class needs to cover the pay period 26 attrition in order to finish the year at 9,963. The CAO recommends approval of this hiring formula.

At their joint meeting held December 7, 2009, the Public Safety Committee and the Chair, Personnel Committees discussed this matter with representatives of the CAO and the Police Department. At this time, the Police Department representative expressed support for the CAO's proposed hiring plan. The Public Safety Committee and the Chair, Personnel Committee recommended that Council approve the CAO's recommended hiring plan and other recommendations, as amended to direct the Police Department to hire all future classes to meet actual attrition by the end of the fiscal year.

Respectfully submitted,

PUBLIC SAFETY  
COMMITTEE

PERSONNEL  
COMMITTEE




MEMBER	VOTE
SMITH:	YES
CARDENAS:	YES
PERRY:	ABSENT
REYES:	ABSENT
ZINE:	YES

MEMBER	VOTE
ZINE:	YES
KORETZ:	ABSENT
PARKS:	ABSENT

**ADOPTED**

DEC 16 2009

LOS ANGELES CITY COUNCIL

TO THE MAYOR FORTHWITH

JAW  
09-0600-s142\_rpt\_ps\_12-14-2009

MAYOR WITH FILE

09-0600-3142  
— CITY OF LOS ANGELES SPEAKER CARD

Date

12/16/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

Item # 62

I wish to speak before the City Council  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ☒ For proposal  
( ) Against proposal  
Name: Wm A. DeLo ( ) General comments

Business or Organization Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
Street City State Zip

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COUNCIL VOTE

Dec 16, 2009 1:06:23 PM, #20

ITEM NO. (62)

Voting on Item(s): 62

Roll Call

ALARCON	Yes
CARDENAS	Yes
HAHN	Yes
HUIZAR	Yes
KORETZ	Absent
LABONGE	Yes
PARKS	Absent
PERRY	Yes
REYES	Yes
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
*ZINE	Yes
GARCETTI	Yes
Present: 12, Yes: 12 No: 0	

COUNCIL VOTE

Dec 16, 2009 11:16:39 AM, #17

ITEM NO. (62)

Reconsideration

ALARCON	Yes
CARDENAS	Yes
HAHN	Yes
HUIZAR	Yes
KORETZ	Absent
LABONGE	Yes
PARKS	Absent
PERRY	Yes
REYES	Yes
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
ZINE	Yes
*GARCETTI	Yes
Present: 12, Yes: 12 No: 0	

## CITY OF LOS ANGELES SPEAKER CARD 09-0600-5142

Date

10-5-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#2

I wish to speak before the BUDGET FINANCE & PUBLIC SAFETY  
Name of City Agency, Department, Committee or CouncilDo you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
(X) General commentsName: NINA ROYALBusiness or Organization Affiliation: SENADOR TUTONCA N/C - SLAPAddress: 10110 SAMARA AVE.  
Street City State ZipBusiness phone: 818-563-1962 Representing: SELFCHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
Street City State Zip

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## CITY OF LOS ANGELES SPEAKER CARD 09-0600-5142

Date

10-5-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#2

I wish to speak before the MYSELF  
Name of City Agency, Department, Committee or CouncilDo you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
(X) General commentsName: MARY BENSON

Business or Organization Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State ZipBusiness phone: 11 Representing: \_\_\_\_\_CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐Client Name: 11070 SHALDON B.V. Phone #: \_\_\_\_\_Client Address: \_\_\_\_\_  
Street City State Zip

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## CITY OF LOS ANGELES SPEAKER CARD

09-0600-5142

Date

10-5-2009

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#2

I wish to speak before the BUDGET FINANCE & PUBLIC SAFETY  
Name of City Agency, Department, Committee or CouncilDo you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
☒ General commentsName: MONICA HARMONBusiness or Organization Affiliation: SELFAddress: 8/1151 SPOON ST LA CA 90033  
Street City State ZipBusiness phone: 310-770-3760 Representing: \_\_\_\_\_CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
Street City State Zip

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## CITY OF LOS ANGELES SPEAKER CARD

09-0600-5142

Date

10/5/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#2

I wish to speak before the BUDGET & FIN  
Name of City Agency, Department, Committee or CouncilDo you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
☒ Against proposal  
☒ General commentsName: TERESA MARQUEZ

Business or Organization Affiliation: \_\_\_\_\_

Address: 3122 E 3RD ST LA 90063  
Street City State ZipBusiness phone: \_\_\_\_\_ Representing: SCCHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
Street City State Zip

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## CITY OF LOS ANGELES SPEAKER CARD

09-0600-5142

Date

10-6-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

Item # 2

I wish to speak before the

BUDGET / PUBLIC SAFETY Committee

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

Name: PETER R. BROVICH ☒ General comments

Business or Organization Affiliation:

LA PPL

Address:

1308 W. 8TH ST. LA CA

Street

City

State

Zip

Business phone: 213-792-1086 Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name:

Phone #:

Client Address:

Street

City

State

Zip

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## CITY OF LOS ANGELES SPEAKER CARD

09-0600-5142

Date

10-5-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

I wish to speak before the

BUDGET / Finance

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

Name: PAUL WEBER ☐ General comments

Business or Organization Affiliation:

LAPPL

Address:

1308 W 8TH ST LA

Street

City

State

Zip

Business phone: 213-277-4554 Representing:

LAPPL

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name:

Phone #:

Client Address:

Street

City

State

Zip

Please see reverse of card for important information and submit this entire card to the presiding officer or chairperson.

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## CITY OF LOS ANGELES SPEAKER CARD 09-0600-5142

Date

10/5/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

ITEM 2

I wish to speak before the

B &amp; F Cuto

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

Name: LIM MEQUISTON (X) General comments

Business or Organization Affiliation:

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Business phone: Representing:

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REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: December 11, 2009

CAO File No. 0220-04531-0003  
Council File No. 09-0600-S142  
Council District: ALL

To: The Mayor  
The Council

From:  Miguel A. Santana, City Administrative Officer

Reference: Transmittal from the Joint Public Safety/Personnel Committee dated December 7, 2009

Subject: LOS ANGELES POLICE DEPARTMENT HIRING AND ATTRITION TRIGGERS

### SUMMARY

On December 9, 2009, the Council instructed the City Administrative Officer (CAO) and the Police Department to work together to establish one consistent method for tracking deployment for purposes of determining if new classes are needed and at what size.

### DISCUSSION

The LAPD has expended its entire adopted 2009-10 hiring allocation. Future classes, regardless of class size or class starting date, will increase the Department's existing \$80.3 million deficit. All future 2009-10 cadets will become Reserve Fund obligations.

Modified Hiring Plan A, attachment 1, is \$332,138 more expensive than Modified Hiring Plan B, attachment 2. The LAPD prefers Plan A because the hiring plan allows the Department to keep sworn deployment around 9,963. The following table outlines the costs associated with the modified hiring plans:

	Minimum Deficit	January Class	Modified Plan A (ATTACHMENT 1)	Modified Plan B (ATTACHMENT 2)
SRS	\$ (129,000,000)	\$ (129,000,000)	\$ (129,000,000)	\$ (129,000,000)
Current Deployment Deficit	\$ (1,338,474)	\$ (1,338,474)	\$ (1,338,474)	\$ (1,338,474)
Future Deployment Deficit	\$ (1,171,760)	\$ (2,120,475)	\$ (4,123,905)	\$ (3,791,767)
Deferred Excess Sick Payout	\$ 4,965,262	\$ 4,965,262	\$ 4,965,262	\$ 4,965,262
Pending FSR Transfer from 1092	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000
Projected Year-end Deficit	\$ (81,544,972)	\$ (82,493,687)	\$ (84,497,117)	\$ (84,164,979)

Modified Hiring Plan A is based on the following parameters:

- 1) Hire a class of 21 on January 4, 2010 (as adopted by Council on December 9, 2009);
- 2) Revise attrition projections through the end of the fiscal year to two-thirds of original plan;
- 3) Determine class size each DP based on catching up to 9,963 with each class;
- 4) If less than 20 hires are needed to reach 9,963, no class will be hired; and
- 5) Finish pay period 26 at 9,963.

PUBLIC SAFETY

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PERSONNEL

Modified Hiring Plan A complies with all of these parameters, with one exception caused by the calendar: the last class (hired in pay period 25) puts the number above 9,963 because that class needs to cover the pay period 26 attrition in order to finish the year at 9,963.

The hiring formula is:

If projected sworn deployment, based on our Office's analysis, falls 20 or more below the Council authorized deployment target, currently set at 9,963 officers, in a pay period in which a class is currently scheduled to begin, the LAPD will be authorized to hire a class, up to 45, to return projected deployment in the same pay period to 9,963. If projected deployment is less than 20 below the Council authorized deployment target, currently set at 9,963 officers, in a pay period in which a class is currently scheduled to begin, the LAPD will defer the class.

## RECOMMENDATIONS

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

1. Adopt Modified Hiring Plan A which is consistent with the Mayor and Council action to hire to attrition with a base of 9,963 officers and projects attrition based on current trends;
2. Adopt the following hiring formula:

If projected sworn deployment, based on our Office's analysis, falls 20 or more below the Council authorized deployment target, currently set at 9,963 officers, in a pay period in which a class is currently scheduled to begin, the LAPD will be authorized to hire a class, up to 45, to return projected deployment in the same pay period to 9,963. If projected deployment is less than 20 below the Council authorized deployment target, currently set at 9,963 officers, in a pay period in which a class is currently scheduled to begin, the LAPD will defer the class.

3. Direct the CAO to issue a monthly report that determines if new classes are needed and at what size based on the aforementioned formula;
3. Direct the LAPD to hire all future classes to meet actual attrition consistent with the hiring formula, and fill the remaining training slots with recruits from airports, port and/or other police departments and receive full reimbursement for all costs.

## FISCAL IMPACT STATEMENT

Adoption of Modified Hiring Plan A will increase the Los Angeles Police Department's Reserve Fund obligation by \$4,123,905.

MAS:JLK:04100067c

ATTACHMENTS

**LOS ANGELES POLICE DEPARTMENT**  
**SWORN SALARY/DEPLOYMENT PROJECTION**  
**FY 2009-2010 - MODIFIED PLAN A**

ATTACHMENT 1

Pay Period	Pay period Ending	ATTRITION		HIRING		Payout Vacation, 84%	No. of Empl	Average VC	Payout Sick, 50%	No. of Empl	Average SK	Projected Deployment	Average Salary	Budgeted Expenditure Plan	Actual (Above Line) Projected	FMIS
1	06/30/09							\$ 13,919			\$ 18,419	9963	\$ 3,524		\$ 23,633,762	
	07/04/09	14	6	40	39	\$ 35,618	4	\$ 8,904	\$ 40,465	3	\$ 13,488	9996	\$ 3,519	10,086,282	\$ 11,697,716	
	<b>Uniform allowance</b>															
2	07/18/09	30	19			\$ 209,349	11	\$ 19,032	\$ 174,707	9	\$ 19,412	9977	\$ 3,509	\$ 9,404,546	\$ 10,174,514	
3	08/01/09	38	13	40	40	\$ 176,011	12	\$ 14,668	\$ 119,143	6	\$ 19,857	10004	\$ 3,512	35,747,228	\$ 35,397,663	
4	08/15/09	30	28			\$ 201,138	15	\$ 13,409	\$ 121,178	7	\$ 17,311	9976	\$ 3,517	35,921,487	\$ 35,547,209	
5	08/29/09	26	21	40	40	\$ 155,687	8	\$ 19,461	\$ 162,802	8	\$ 20,350	9995	\$ 3,517	35,648,556	\$ 35,403,885	
6	09/12/09	21	13			\$ 69,334	4	\$ 17,333	\$ 16,297	2	\$ 8,148	9982	\$ 3,513	35,614,286	\$ 35,577,653	
7	09/26/09	20	17	40	40	\$ 261,959	16	\$ 16,372	\$ 167,705	10	\$ 16,770	10005	\$ 3,514	35,435,775	\$ 35,156,447	
8	10/10/09	19	18			\$ 38,468	5	\$ 7,694	\$ -	0	n/a	9987	\$ 3,520	35,485,353	\$ 35,705,131	
9	10/24/09	22	9	40	40	\$ 160,613	9	\$ 17,846	\$ 55,144	4	\$ 13,786	10018	\$ 3,535	35,397,496	\$ 35,236,209	
10	11/07/09	22	22			\$ 120,121	12	\$ 10,010	\$ 40,206	2	\$ 20,103	9996	\$ 3,532	35,523,632	\$ 35,738,571	
11	11/21/09	26	9	40	0	\$ 108,659	6	\$ 18,110	\$ 72,551	6	\$ 12,092	9987	\$ 3,533	35,446,104	\$ 35,461,624	
12	12/05/09	11				\$ 136,785			\$ 88,725			9976		35,579,046	\$ 35,531,643	\$ 376,324,041
13	12/19/09	12		0		\$ 149,220			\$ 96,791			9964				
14	01/02/10	11				\$ 136,785			\$ 88,725			9953		35,313,647	\$ 35,474,576	
	<b>Excess Sick Out</b>															
	<b>Excess ML &amp; IOD Payout</b>															
15	01/16/10	10		21		\$ 124,350			\$ 80,659			9964		35,292,018	\$ 35,452,676	
16	01/30/10	7				\$ 87,045			\$ 56,461			9957		35,193,831	\$ 35,393,308	
17	02/13/10	11		0		\$ 136,785			\$ 88,725			9946		4,965,262	\$ 4,965,262	
18	02/27/10	11				\$ 136,785			\$ 88,725			9935		237,693	\$ 237,693	
19	03/13/10	10		38		\$ 124,350			\$ 80,659			9963		35,261,030	\$ 35,411,674	
20	03/27/10	8				\$ 111,915			\$ 72,593			9954		35,121,283	\$ 35,325,438	
21	04/10/10	4		0		\$ 49,740			\$ 32,264			9950		35,348,645	\$ 35,368,574	
22	04/24/10	10				\$ 124,350			\$ 80,659			9940		35,271,359	\$ 35,329,707	
23	05/08/10	10		33		\$ 124,350			\$ 80,659			9963		35,338,558	\$ 35,408,141	
24	05/22/10	9				\$ 111,915			\$ 72,593			9954		35,250,943	\$ 35,355,839	
25	06/05/10	7		27		\$ 87,045			\$ 56,461			9974		35,224,449	\$ 35,239,201	
26	06/19/10	11				\$ 136,785			\$ 88,725			9963		35,359,702	\$ 35,326,873	
	06/30/10	<b>Estimated salary for last 11 days of FY 09-10</b>														
		411	175	359	199	\$ 3,315,161			\$ 2,123,625			9972		\$ 938,030,226	\$ 940,332,145	\$ 940,027,921
												Averaged				

Adopted Budget 2009/10 \$ 805,565,542

Adopted Budget Deficit should be -\$129,000,000 \$ (134,462,379)

Deferred Excess Sick Payout \$ 4,965,262

Pending FSR Transfer from 1092 \$ 45,000,000

Projected Surplus/Deficit \$ (84,497,117)

**LOS ANGELES POLICE DEPARTMENT  
SWORN SALARY/DEPLOYMENT PROJECTION  
FY 2009-2010 - MODIFIED PLAN B**

ATTACHMENT 2

Pay Period	Pay period Ending	Attrition Plan	Attrition Actual	Hiring Plan	Hiring Actual	Payout Vacation, 84%	No. of Empl	Average VC	Payout Sick, 50%	No. of Empl	Average SK	Projected Deployment	Average Salary	Budgeted Expenditure Plan	Actual (Above Line) Projected	FMIS
1	06/30/09							\$ 13,919			\$ 18,419	9963	\$ 3,524		\$ 23,633,762	
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22	04/24/10	10				\$ 124,350			\$ 80,659			9952		35,250,943	\$ 35,221,571	
23	05/08/10	10		0		\$ 124,350			\$ 80,659			9942		35,224,449	\$ 35,281,602	
24	05/22/10	9				\$ 111,915			\$ 72,593			9933		35,359,702	\$ 35,369,274	
25	06/05/10	7		48		\$ 87,045			\$ 56,461			9974		35,447,802	\$ 35,333,940	
26	06/19/10	11				\$ 136,785			\$ 88,725			9963		35,377,564	\$ 35,281,638	
	06/30/10	<b>Estimated salary for last 11 days of FY 09-10</b>														
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												Averaged				

Adopted Budget 2009/10 \$ 805,565,542

Adopted Budget Deficit should be -\$129,000,000 \$ (134,130,241)

Deferred Excess Sick Payout \$ 4,965,262

Pending FSR Transfer from 1092 \$ 45,000,000

Projected Surplus/Deficit \$ (84,164,979)

24  
FOR CCL, FRIDAY, 12-11-09, Continuation agenda:

Thx.  
mk

**Item For Which Public Hearing Has Not Been Held - Item**  
(10 Votes Required for Consideration)

ITEM NO. () - Motion Required

09-0600-S142

CITY ADMINISTRATIVE OFFICER AND LOS ANGELES POLICE DEPARTMENT TO REPORT  
relative to funding and the funding source for the Department's January 2010 academy class.

(Pursuant to Council action of December 9, 2009)

DEC 11 2009 - Verbal Report Noted

CITY OF LOS ANGELES SPEAKER CARD

Date

12 11 09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

09-0600-5142

I wish to speak before the \_\_\_\_\_  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
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DEC 11 2009

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

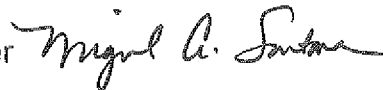
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Date: December 7, 2009

CAO File No. 0220-04531-0002  
Council File No. 09-0600-S142  
Council District: ALL

To: The Mayor  
The Council

From: Miguel A. Santana, City Administrative Officer



Reference: Transmittal from the City Council dated October 23, 2009

Subject: **DECEMBER 2009 LOS ANGELES POLICE DEPARTMENT HIRING AND  
ATTRITION REPORT – ADDENDUM**

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### SUMMARY

On October 23, 2009, the Council reaffirmed the Mayor and Council's original 2009-10 sworn hiring plan allowing the Los Angeles Police Department (LAPD) to hire to attrition and to maintain sworn deployment at 9,963 officers (C.F. 09-0600-S142). Motion #21 instructed the LAPD, the City Administrative Officer (CAO), the Chief Legislative Analyst (CLA), and the Personnel Department to provide a monthly written report addressing the LAPD's hiring and attrition activities.

### DISCUSSION

On October 23, 2009, Council instructed the Personnel and Public Safety Committees to meet through the end of the fiscal year to assess LAPD hiring, LAPD recruitment, and future Academy classes. The LAPD's planned attrition from July 1, 2009 to December 5, 2009 was 284 officers. As of December 1, 2009, the LAPD has experienced attrition of 146 officers. Currently, the LAPD is 138 officers under planned attrition. The Department's planned attrition from December 6, 2009 to February 28, 2010 is 92 officers. If the LAPD realizes all planned attrition between now and February 28, 2010, the Department will be behind planned attrition by 46 officers. On December 3, 2009, our Office released a version of the subject report and the LAPD released their version of the subject report. At the request of the Mayor and Council, our Office is issuing an addendum to address the key differences in both reports. The following report follows the same format as the original with added emphasis and detail on the items that were not consistent between the two aforementioned reports. Council specifically requested the following information:

- As of December 1, 2009, the Los Angeles Police Department (LAPD) has 10,010 officers on the police force.
- The Department's 10,010 officers consist of 9,661 officers in General Funded position authorities, 326 officers in special or grant funded position authorities, 21 officers in unfunded State-rate injury on duty position authorities, one Chief of Police and one officer in the Bounce program. A more detailed breakdown of the LAPD's current authorities is provided in Attachment 1. The following table is a reconciliation of the numbers submitted by our Office and the numbers submitted by the Department:

Category	CAO	Category	LAPD
General Funded	9,661	Payroll Checks Issued	9,987
Special Funded	326		-
<b>Sub Total</b>	<b>9,987</b>	<b>Sub Total</b>	<b>9,987</b>
State-rate Officers	21		-
Bounce	1		-
Chief of Police	1		-
<b>Total Filled Authorities</b>	<b>10,010</b>	<b>Total Paid Authorities</b>	<b>9,987</b>

The LAPD's Sworn Salary/Deployment Projection spreadsheet, Attachments 2-4, is a budgetary document, as such the document only tracks the number of positions that receive a paycheck in a specific pay period. Legacy status codes, such as suspension, unpaid leaves of absence, and State-rate injury on duty (IOD), are not captured. Since the Department backs into the attrition number, for budgetary purposes, it is not a useful tool in determining actual attrition. The way attrition is calculated in the spreadsheet results in negative attrition ("new hires") when employees return from suspension, unpaid leave, or State-rate IOD absences. Although the spreadsheet is a useful budgetary tool and a fair expression of the Department's payroll obligations in a pay period, it does not accurately illustrate the number of filled sworn position authorities.

- As of December 1, 2009, the LAPD has 217 officers in the Police Academy. The Department's sworn hiring plan did not include a December class, so the LAPD has zero recruits scheduled to enter the Academy. The LAPD has six planned classes for the remainder of the fiscal year; the next planned class is scheduled to begin on January 4, 2010. The following sub-item is a reconciliation of the numbers submitted by our Office and the numbers submitted by the Department:
  1. Our Office's Academy number, 217 officers, is based on the number of cadets enrolled in the Academy on December 1, 2009. It is an accurate reflection of the number of cadets enrolled in the Academy at the time. Alternately, the number provided by the LAPD, 192 officers, is accurate for the day, December 5, 2009, in their report. The reason the numbers are different is a class of cadets graduated on December 4, 2009.
- As of December 1, 2009, the LAPD has 555 officers enrolled in the DROP program. Three officers are scheduled for retirement on December 30, 2009. An additional 85 officers must retire under the terms of the DROP program between January 1, 2010 and December 31, 2010.
- As of Deployment Period 11, the LAPD reports 451 officers on permanent and long term restricted duty.
- As of December 1, 2009, the LAPD has experienced attrition of 146 officers. The 146 officers consist of 48 retirees (44 retirees participated in the DROP program), 57 Academy recruits, 14 probationary officers in the Police Officer I class, and 27 other separations.
- As of December 1, 2009, the LAPD is 138 officers under planned attrition. The LAPD's planned attrition from July 1, 2009 to December 5, 2009 is 284 officers. As of December 1, 2009, the LAPD has experienced attrition of 146 officers. As previously mentioned, the Department's budgetary spreadsheet does not accurately track attrition and the year-to-date attrition number is overstated. Our Office and the LAPD are currently working on fixing this issue from a personnel standpoint since the Department's spreadsheet accurately reflects the

number of payroll obligations in a pay period. The following table does not reconcile the numbers submitted by our Office and the numbers submitted by the Department, but it does illustrate where we are year-to-date (YTD) using both numbers:

	CAO Numbers			LAPD Numbers		
	Attrition	Hiring	Net	Attrition	Hiring	Net
<b>Plan YTD</b>	284	240	-44	284	240	-44
<b>Actual YTD</b>	146	199	53	175	199	24
<b>Difference</b>	138	41	97	109	41	68

The following sub-items along with the attached appendices elaborate on the table provided above:

1. Year-to-date, the LAPD is over deployed by 97 officers using our Office's number; the LAPD is over deployed by 68 officers using the Department's number. In either scenario, the Department is over deployed by at least 68 officers; the only way to bring the Department back within budgeted deployment is to defer Academy classes. If the November class had not been deferred, the Department would be over deployed by 108 officers at this point.
2. Based on the Salary Projection worksheet provided by the Department on November 25, 2009, Attachment 3, the Department could defer the January class and still finish the year with 9,963 budgeted officers, which is above the 9,963 total filled authorities authorized by the Mayor and Council.
3. Utilizing the year-to-date numbers above and the Department's salary projection worksheets, the Department has expended their entire 2009-10 budgeted sworn hiring allocation. This fact is illustrated by the increase in the Department's original \$129 million deficit, illustrated in Attachment 2, to a projected \$134.7 million, illustrated in Attachment 3, through the end of the fiscal year. This additional \$5.7 million deficit includes the deferral of the January 2010 Academy class. Utilizing the Department's December 4, 2009 Salary Projection worksheet, Attachment 4, which adds back the January 2010 Academy class, the Department's projected deficit increases to \$138.2 million.
4. The direct 2009-10 General Fund impact of hiring the January class is \$1.7 million, Attachment 5 - Table 3, and the indirect cost of remaining above budgeted deployment is an additional \$1.8 million. In total the January class will cost the City \$3.5 million and further expand the Department's existing deficit.
5. Based on all available information, the Department's over deployment through the first five months of the fiscal year has resulted in the Department utilizing their sworn hiring allocation to cover the salaries of the officers that have been carried above budget. Even if all remaining Academy classes are canceled the Department will have overspent by \$1.8 million. Every Academy class filled from now until the end of the fiscal year will result in the Department expanding their deficit.
6. All new sworn hires represent ongoing General Fund obligations, as such further civilian layoffs will be necessary to offset the costs of any new ongoing obligations.

- The following table illustrates the projected deficit in the Department's Sworn Salary Account resulting from hiring future Academy classes:

	Budgeted Expenditures	Actual Expenditures	Deficit
Year-to-date	\$375.3 million	\$376.6 million	\$1.3 million
	Budgeted Expenditures	Projected Expenditures	Projected Deficit*
January	\$521.6 million	\$523.9 million	\$2.3 million
February	\$592 million	\$594.8 million	\$2.8 million
March	\$662.6 million	\$665.9 million	\$3.3 million
April	\$733.1 million	\$736.9 million	\$3.8 million
May	\$803.9 million	\$808.2 million	\$4.3 million
June	\$874.7 million	\$879.5 million	\$4.8 million
Final	\$938 million	\$943.3 million	\$5.3 million

\*Please note the projected deficit assumes the Department realizes all anticipated attrition through the end of the fiscal year; if the Department continues to realize 70% of anticipated attrition, the actual deficit will be as follows:

	Budgeted Expenditures	Actual Expenditures	Deficit
Year-to-date	\$375.3 million	\$376.6 million	\$1.3 million
	Budgeted Expenditures	Projected Expenditures	Projected Deficit*
January	\$521.5 million	\$523.7 million	\$2.1 million
February	\$592 million	\$594.6 million	\$2.6 million
March	\$662.6 million	\$665.8 million	\$3.2 million
April	\$733.1 million	\$736.9 million	\$3.8 million
May	\$803.9 million	\$808.4 million	\$4.5 million
June	\$874.7 million	\$879.9 million	\$5.2 million
Final	\$938 million	\$943.9 million	\$5.9 million

The Department's deficit in excess of the Shared Responsibility and Sacrifice (SRS) line item will be between \$1.3 million, if all remaining classes are canceled and \$5.9 million if classes continue as planned and if actual attrition continues to lag behind projected attrition. The Department's current Sworn Salaries deficit is as follows:

	SRS	Department	Total
July 1, 2009 to Current	-\$129M	-\$1.3M (includes hiring allocation)	-\$130.3M
Sworn OT	+\$45M		
Deferred Sick Payout	+\$5M		
Mid-year Subtotal	-\$79M	-\$1.3M (includes hiring allocation)	-\$80.3M

## RECOMMENDATIONS

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

- Instruct the Los Angeles Police Department to report back to the joint Public Safety and Personnel Committee within one week with a modified hiring and attrition plan that is consistent with the Mayor and Council action to hire to attrition with a base of 9,963 and projects attrition based on current trends;

2. Direct the CAO, CLA, and LAPD to work with the Mayor and Council to establish one consistent method for tracking deployment for purposes of determining if new classes are needed and at what size;
3. Direct the LAPD to hire all future classes to meet actual attrition consistent with the formula selected to track deployment, and fill the remaining training slots with recruits from airports, port and/or other police departments and receive full reimbursement for all costs.

### **FISCAL IMPACT STATEMENT**

Hiring a January Academy class of 40 LAPD officers, along with the remaining scheduled classes, will negatively impact the General Fund. Future hiring will increase the LAPD's existing \$80.3 million General Fund deficit to \$88 million.

*MAS:JLK:04100065c*

### **ATTACHMENTS**

LAPD DEPLOYMENT AS OF 12/1/09		1-Dec	1-Jan	1-Feb	1-Mar	1-Apr	1-May	1-Jun
GF	Academy	357	217					
GF	Probation	730	608					
GF	Bounce	20	2					
GF	DROP	584	564					
CHRP ARRA	CHRP Grant Officers	0	50					
GF	Civilianization	65	65					
GF	General	7334	7706					
GF	Permanent Restrictions	518	451					
Total CHRP Base (need to maintain 9,638)		9588	9683	0	0	0	0	0
Non-CHRP	Grant/Special Funded	349	326					
Non-CHRP	State-rate IOD	26	21					
Total Non-CHRP Base		375	347	0	0	0	0	0
Total LAPD Base (CHRP + Non-CHRP)		9963	10010	0	0	0	0	0

Grant funded positions deleted after 7/6:

- One Sergeant II from Operation ABC - loss of funding
- One Detective III from Real Estate Fraud - loss of funding
- Three Detective II from Real Estate Fraud - loss of funding
- One Detective II from PSN - grant ends 12/31/09
- Two Detective III from CLEAR - \$2M drop in SLESF revenue
- 15 Detective II from CLEAR - \$2M drop in SLESF revenue

Special funded positions deleted after 7/6:

**LOS ANGELES POLICE DEPARTMENT  
SWORN SALARY/DEPLOYMENT PROJECTION  
FISCAL YEAR 2009-2010**

ATTACHMENT 2  
First Worksheet of 2009-10

Pay Period	Pay period Ending	Attrition Plan	Attrition Actual	Hiring Plan	Hiring Actual	Payout Vacation, 84%	No. of Empl	Average VC	Payout Sick, 50%	No. of Empl	Average SK	Projected Deployment	Average Salary	Budgeted Expenditure	Actual (Above Line) Projected	FMIS
1	06/30/09							\$ 13,919			\$ 18,419	9963	\$ 3,524		\$ 23,633,762	
	07/04/09	14	7	40	40	\$ 35,618	4	\$ 8,904	\$ 40,465	3	\$ 13,488	9996	\$ 3,519	10,086,282	\$ 11,697,716	\$ 11,701,334
<b>Uniform allowance</b>														\$ 9,404,546	\$ 9,404,546	
2	07/18/09	30		40		\$ 224,393			\$ 202,327			9966		35,747,228	\$ 35,496,546	
3	08/01/09	38		40		\$ 284,231			\$ 256,280			9968		35,921,487	\$ 35,617,375	
4	08/15/09	30		40		\$ 224,393			\$ 202,327			9938		35,648,556	\$ 35,398,015	
5	08/29/09	26		40		\$ 194,474			\$ 175,350			9952		35,614,286	\$ 35,390,384	
6	09/12/09	21		40		\$ 157,075			\$ 141,629			9931		35,435,775	\$ 35,245,367	
7	09/26/09	20		40		\$ 149,595			\$ 134,884			9951		35,485,353	\$ 35,301,522	
8	10/10/09	19		40		\$ 142,115			\$ 128,140			9932		35,397,496	\$ 35,220,438	
9	10/24/09	22		40		\$ 164,555			\$ 148,373			9950		35,523,632	\$ 35,326,451	
10	11/07/09	22		40		\$ 164,555			\$ 148,373			9928		35,446,104	\$ 35,249,034	
11	11/21/09	26		40		\$ 194,474			\$ 175,350			9942		35,579,046	\$ 35,355,195	
12	12/05/09	18		40		\$ 119,676			\$ 107,907			9926		35,313,647	\$ 35,156,652	
13	12/19/09	18		0		\$ 134,636			\$ 121,396			9908		35,292,018	\$ 35,121,759	
14	01/02/10	16				\$ 119,676			\$ 107,907			9892		35,193,831	\$ 35,037,008	
<b>Excess Sick Out</b>														4,965,262	\$ 4,965,262	
<b>Excess ML &amp; LOD Payout</b>														237,693	\$ 237,693	
15	01/16/10	15		40		\$ 112,196			\$ 101,163			9917		35,261,030	\$ 35,110,758	
16	01/30/10	10		40		\$ 74,798			\$ 67,442			9907		35,121,283	\$ 35,004,448	
17	02/13/10	17		40		\$ 127,156			\$ 114,652			9930		35,348,645	\$ 35,184,952	
18	02/27/10	16		40		\$ 119,676			\$ 107,907			9914		35,271,359	\$ 35,114,425	
19	03/13/10	15		40		\$ 112,196			\$ 101,163			9939		35,338,558	\$ 35,188,174	
20	03/27/10	13		40		\$ 97,237			\$ 87,675			9926		35,250,943	\$ 35,113,980	
21	04/10/10	6		40		\$ 44,879			\$ 40,465			9960		35,224,449	\$ 35,134,057	
22	04/24/10	15		40		\$ 112,196			\$ 101,163			9945		35,359,702	\$ 35,209,288	
23	05/08/10	15		40		\$ 112,196			\$ 101,163			9970		35,447,802	\$ 35,297,262	
24	05/22/10	14		40		\$ 104,717			\$ 94,419			9956		35,377,564	\$ 35,233,773	
25	06/05/10	10		40		\$ 74,798			\$ 67,442			9986		35,399,679	\$ 35,282,445	
26	06/19/10	16				\$ 119,676			\$ 107,907			9970		35,468,703	\$ 35,311,486	
<b>Estimated salary for last 11 days of FY 09-10</b>														27,868,267	\$ 27,744,739	
		480	7	480	40	\$ 3,521,183			\$ 3,183,270			9942		\$938,030,226	\$ 935,150,746	\$935,154,365
												Averaged				

**Assumptions:**

1. The actual average salary, vacation payout, and sick payout from fiscal year 07/08 pay period ending (PPE) 06/21/08 with the 3.75 % COLA adjustment, were used as the basis for the beginning value for fiscal year 08/09 projection. The beginning Projected Deployment is based on the projected deployment for PPE 06/21/08.

2. The FY 08/09 attrition and hiring plan numbers were based on the projections provided by Personnel Division.

3. Uniform Allowance projection was based on the attached calculation using FY 07/08 actual data with the 3.75% COLA.

4. Total attrition consists of 334 regular attrition and 170 anticipated DROP attrition.

Adopted Budget 2009/10

Total Amount Available

Projected Surplus/Deficit

\$ 805,565,542

\$ 805,565,542

\$ (129,588,823)

\$ 8,904

\$ 13,488

\$ 3,519

**LOS ANGELES POLICE DEPARTMENT  
SWORN SALARY/DEPLOYMENT PROJECTION  
FISCAL YEAR 2009-2010**

11/25/09 Worksheet

ATTACHMENT 3

Pay Period	Pay period Ending	ATTRITION		HIRING		Payout Vacation, 84%	No. of Empl	Average VC	Payout Sick, 50%	No. of Empl	Average SK	Projected Deployment	Average Salary	Budgeted Expenditure	Actual (Above Line) Projected	FMIS
1	06/30/09							\$ 13,919			\$ 18,419	9963	\$ 3,524		\$ 23,633,762	
	07/04/09	14	6	40	39	\$ 35,618	4	\$ 8,904	\$ 40,465	3	\$ 13,488	9996	\$ 3,519	10,086,282	\$ 11,697,716	
	<b>Uniform allowance</b>															
2	07/18/09	30	19			\$ 209,349	11	\$ 19,032	\$ 174,707	9	\$ 19,412	9977	\$ 3,509	\$ 9,404,546	\$ 35,397,663	
3	08/01/09	38	13	40	40	\$ 176,011	12	\$ 14,668	\$ 119,143	8	\$ 19,857	10004	\$ 3,512	35,921,487	\$ 35,547,209	
4	08/15/09	30	28			\$ 201,138	15	\$ 13,409	\$ 121,178	7	\$ 17,311	9976	\$ 3,517	35,648,556	\$ 35,403,885	
5	08/29/09	26	21	40	40	\$ 155,687	8	\$ 19,461	\$ 162,802	8	\$ 20,350	9995	\$ 3,517	35,614,286	\$ 35,577,653	
6	09/12/09	21	13			\$ 69,334	4	\$ 17,333	\$ 16,297	2	\$ 8,148	9982	\$ 3,513	35,435,775	\$ 35,156,447	
7	09/26/09	20	17	40	40	\$ 261,959	16	\$ 16,372	\$ 167,705	10	\$ 16,770	10005	\$ 3,514	35,485,353	\$ 35,705,131	
8	10/10/09	19	18			\$ 38,468	5	\$ 7,694	\$ -	0	n/a	9987	\$ 3,520	35,397,496	\$ 35,236,209	
9	10/24/09	22	9	40	40	\$ 160,613	9	\$ 17,846	\$ 55,144	4	\$ 13,786	10018	\$ 3,535	35,523,632	\$ 35,738,571	
10	11/07/09	22	22		0	\$ 120,121	12	\$ 10,010	\$ 40,206	2	\$ 20,103	9996	\$ 3,532	35,446,104	\$ 35,461,624	\$ 340,852,793
11	11/21/09	26		40		\$ 316,089			\$ 215,550			9970		35,579,046	\$ 35,741,115	
12	12/05/09	16				\$ 194,516			\$ 132,646			9954		35,313,647	\$ 35,480,134	
13	12/19/09	18		40		\$ 218,831			\$ 149,227			9936		35,292,018	\$ 35,457,462	
14	01/02/10	16				\$ 194,516			\$ 132,646			9920		35,193,831	\$ 35,360,062	
	<b>Excess Sick Out</b>														4,965,262	\$ 4,965,262
	<b>Excess ML &amp; IOD Payout</b>														237,693	\$ 237,693
15	01/16/10	5		40		\$ 182,359			\$ 124,356			9905		35,261,030	\$ 35,286,641	
16	01/30/10	10				\$ 121,573			\$ 82,904			9895		35,121,283	\$ 35,149,087	
17	02/13/10	7		40		\$ 206,674			\$ 140,936			9918		35,348,645	\$ 35,373,446	
18	02/27/10	16				\$ 194,516			\$ 132,646			9902		35,271,359	\$ 35,296,494	
19	03/13/10	15		40		\$ 182,359			\$ 124,356			9927		35,338,558	\$ 35,364,335	
20	03/27/10	13				\$ 158,044			\$ 107,775			9914		35,250,943	\$ 35,277,529	
21	04/10/10	6		40		\$ 72,944			\$ 49,742			9948		35,224,449	\$ 35,254,468	
22	04/24/10	15				\$ 182,359			\$ 124,356			9933		35,359,702	\$ 35,385,524	
23	05/08/10	15		40		\$ 182,359			\$ 124,356			9958		35,447,802	\$ 35,473,813	
24	05/22/10	14				\$ 170,202			\$ 116,065			9944		35,377,564	\$ 35,403,923	
25	06/05/10	10		45		\$ 121,573			\$ 82,904			9979		35,399,679	\$ 35,445,737	
26	06/19/10	16				\$ 194,516			\$ 132,646			9963		35,468,703	\$ 35,511,918	
	06/30/10	<b>Estimated salary for last 11 days of FY 09-10</b>														27,902,221
		480	166	405	199	\$ 4,321,728			\$ 2,870,753			9958		\$938,030,226	\$ 940,463,486	\$ 940,219,658
												Averaged				

**Assumptions:**

1. The actual average salary, vacation payout, and sick payout from fiscal year 08/09 pay period ending (PPE) 06/20/09 with the 0% COLA adjustment, were used as the basis for the beginning value for fiscal year 09/10 projection. The beginning Projected Deployment is based on the projected deployment for PPE 06/20/09.

2. The FY 09/10 attrition and hiring plan numbers were based on the projections provided by Personnel Division.  
3. Uniform Allowance projection was based on the attached calculation using FY 08/09 actual data with the 0% COLA.

Adopted Budget 2009/10	\$ 805,565,542
Adopted Budget Deficit should be -	\$129,000,000
Deferred Excess Sick Payout	\$ 4,965,262
Pending FSR Transfer from 1092	\$ 45,000,000
Projected Surplus/Deficit	\$ (84,688,854)

\$ 14,473

\$ 16,581

\$ 2,532

**LOS ANGELES POLICE DEPARTMENT  
SWORN SALARY/DEPLOYMENT PROJECTION**

12/4/09 Worksheet

ATTACHMENT 4

**FISCAL YEAR 2009-2010**

Pay Period	Pay period Ending	ATTRITION		HIRING		Payout Vacation, 84%	No. of Empl	Average VC	Payout Sick, 50%	No. of Empl	Average SK	Projected Deployment	Average Salary	Budgeted Expenditure	Actual (Above Line) Projected	FMIS	
1	06/30/09							\$ 13,919			\$ 18,419	9963	\$ 3,524		\$ 23,633,762		
	07/04/09	14	6	40	39	\$ 35,618	4	\$ 8,904	\$ 40,465	3	\$ 13,488	9996	\$ 3,519	10,086,282	\$ 11,697,716		
	Uniform allowance																
2	07/18/09	30	19			\$ 209,349	11	\$ 19,032	\$ 174,707	9	\$ 19,412	9977	\$ 3,509	\$ 9,404,546	\$ 10,174,514		
3	08/01/09	38	13	40	40	\$ 176,011	12	\$ 14,668	\$ 119,143	6	\$ 19,857	10004	\$ 3,512	35,747,228	\$ 35,397,663		
4	08/15/09	30	28			\$ 201,138	15	\$ 13,409	\$ 121,178	7	\$ 17,311	9976	\$ 3,517	35,921,487	\$ 35,547,209		
5	08/29/09	26	21	40	40	\$ 155,687	8	\$ 19,461	\$ 162,802	8	\$ 20,350	9995	\$ 3,517	35,648,556	\$ 35,403,885		
6	09/12/09	21	13			\$ 69,334	4	\$ 17,333	\$ 16,297	2	\$ 8,148	9982	\$ 3,513	35,814,286	\$ 35,577,653		
7	09/26/09	20	17	40	40	\$ 261,959	16	\$ 16,372	\$ 167,705	10	\$ 16,770	10005	\$ 3,514	35,435,775	\$ 35,156,447		
8	10/10/09	19	18			\$ 38,468	5	\$ 7,694	\$ -	0	n/a	9987	\$ 3,520	35,485,353	\$ 35,705,131		
9	10/24/09	22	9	40	40	\$ 160,613	9	\$ 17,846	\$ 55,144	4	\$ 13,786	10018	\$ 3,535	35,397,496	\$ 35,236,209		
10	11/07/09	22	22			\$ 120,121	12	\$ 10,010	\$ 40,206	2	\$ 20,103	9996	\$ 3,532	35,523,632	\$ 35,738,571		
11	11/21/09	26	9	40	0	\$ 108,659	6	\$ 18,110	\$ 72,551	6	\$ 12,092	9987	\$ 3,533	35,446,104	\$ 35,461,624		
														35,579,046	\$ 35,531,643	\$ 376,324,041	
12	12/05/09	16				\$ 198,960			\$ 129,055			9971		35,313,647	\$ 35,559,413		
13	12/19/09	16		0		\$ 223,830			\$ 145,187			9953		35,292,018	\$ 35,536,814		
14	01/02/10	16				\$ 198,960			\$ 129,055			9937		35,193,831	\$ 35,439,278		
	Excess Sick Out																
	Excess ML & IOD Payout																
15	01/16/10	16		40		\$ 186,525			\$ 120,989			9962		4,965,262	\$ 4,965,262		
16	01/30/10	10				\$ 124,350			\$ 80,659			9952		237,693	\$ 237,693		
17	02/13/10	17		40		\$ 211,395			\$ 137,121			9975		35,261,030	\$ 35,507,112		
18	02/27/10	16				\$ 198,960			\$ 129,055			9959		35,121,283	\$ 35,369,274		
19	03/13/10	15		40		\$ 186,525			\$ 120,989			9984		35,348,645	\$ 35,594,048		
20	03/27/10	13				\$ 161,655			\$ 104,857			9971		35,271,359	\$ 35,517,013		
21	04/10/10	6		40		\$ 74,610			\$ 48,396			10005		35,338,558	\$ 35,584,847		
22	04/24/10	5				\$ 186,525			\$ 120,989			9990		35,250,943	\$ 35,497,911		
23	05/08/10	15		40		\$ 186,525			\$ 120,989			10015		35,224,449	\$ 35,474,539		
24	05/22/10	14				\$ 174,090			\$ 112,923			10001		35,359,702	\$ 35,606,047		
25	06/05/10	10		40		\$ 124,350			\$ 80,659			10031		35,447,802	\$ 35,694,382		
26	06/19/10	18				\$ 198,960			\$ 129,055			10015		35,377,564	\$ 35,624,413		
	06/30/10	Estimated salary for last 11 days of FY 09-10												35,399,679	\$ 35,648,411		
		480	175	480	199	\$ 4,173,175			\$ 2,680,173			9986		\$938,030,226	\$ 943,261,298	\$ 942,957,074	
												Averaged					

**Assumptions:**

1. The actual average salary, vacation payout, and sick payout from fiscal year 08/09 pay period ending (PPE) 06/20/09 with the 0% COLA adjustment, were used as the basis for the beginning value for fiscal year 09/10 projection. The beginning Projected Deployment is based on the projected deployment for PPE 06/20/09.

2. The FY 09/10 attrition and hiring plan numbers were based on the projections provided by Personnel Division.

3. Uniform Allowance projection was based on the attached calculation using FY 08/09 actual data with the 0% COLA.

Adopted Budget 2009/10	\$ 805,565,542
Adopted Budget Deficit should be -	\$129,000,000
Deferred Excess Sick Payout	\$ 4,965,262
Pending FSR Transfer from 1092	\$ 45,000,000
Projected Surplus/Deficit	\$ (87,426,270)

\$ 14,804

\$ 16,132

\$ 3,533

Appendix Table 1. Comparison of Prior Recruit Expenses and Current Recruit Expenses

	Bi-weekly Salary	Salary Earned While in the Academy (12 Pay Periods or 6 Deployment Periods)	GCP - Pension Savings Plan (3%)	Medicare (1.5%)	Health and Welfare (Flat rate)	Equipment (Flat rate)	Fully Loaded Cost of One Recruit From the Start of the Academy to Graduation
<b>7-1-09 Salary of a Police Officer I Step 1</b>	\$ 2,165.60	\$ 25,987.20	\$ 779.62	\$ 389.81	\$ 11,041.00	\$ 9,118.00	\$ 47,315.62
<b>7-1 Salary Reduced by 20%</b>	\$ 1,732.48	\$ 20,789.76	\$ 623.69	\$ 311.85	\$ 11,041.00	\$ 9,118.00	\$ 41,884.30

Appendix Table 2. Before and Now Costs for Running Academy Classes

	Cost to Run a Class of 40	Cost to Run a Class of 35	Cost to Run a Class of 30	Cost to Run a Class of 25	Cost to Run a Class of 20	Cost to Run a Class of 15	Cost to Run a Class of 10
<b>Before</b>	\$ 1,892,625	\$ 1,656,047	\$ 1,419,469	\$ 1,182,891	\$ 946,312	\$ 709,734	\$ 473,156
<b>Now</b>	\$ 1,675,372	\$ 1,465,950	\$ 1,256,529	\$ 1,047,107	\$ 837,686	\$ 628,264	\$ 418,843

Appendix Table 3. Comparison of Prior Probationary Police Officer I Expenses and Current Probationary Police Officer I Expenses

	Bi-weekly Salary	Salary Earned While on Probation (26.1 Pay Periods or 13 Deployment Periods)	Pension (36.41%)	2010/11 Health and Welfare (Flat rate)	Fully Loaded Cost of One Recruit During One Year Probation Term
<b>7-1-09 Salary of a Police Officer I Step 2</b>	\$ 2,252.80	\$ 58,798.08	\$ 1,763.94	\$ 12,035	\$ 72,597.02
<b>7-1 Salary Reduced by 20%</b>	\$ 1,802.24	\$ 47,038.46	\$ 1,411.15	\$ 12,035	\$ 60,484.62

Appendix Table 4. Before and Now Costs for Probationary Officers

	Cost of 40 Probationary Officers	Cost of 35 Probationary Officers	Cost of 30 Probationary Officers	Cost of 25 Probationary Officers	Cost of 20 Probationary Officers	Cost of 15 Probationary Officers	Cost of 10 Probationary Officers
<b>Before</b>	\$ 2,903,881	\$ 2,540,896	\$ 2,177,911	\$ 1,814,926	\$ 1,451,940	\$ 1,088,955	\$ 725,970
<b>Now</b>	\$ 2,419,385	\$ 2,116,962	\$ 1,814,539	\$ 1,512,115	\$ 1,209,692	\$ 907,269	\$ 604,846

Appendix Table 5. Impact of Remaining Academy Classes on the General Fund in Fiscal Year 2009-10 and Fiscal Year 2010-11

Class Start Date	First Pay Check Issued*		Pay Periods	Cost to Run a Class of 40	Cost to Run a Class of 35	Cost to Run a Class of 30	Cost to Run a Class of 25	Cost to Run a Class of 20	Cost to Run a Class of 15	Cost to Run a Class of 10
1/4/2010	1/27/2010	09/10 Impact	12	\$ 1,675,372	\$ 1,465,950	\$ 1,256,529	\$ 1,047,107	\$ 837,686	\$ 628,264	\$ 418,843
		10/11 Impact	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2/1/2010	2/24/2010	09/10 Impact	10	\$ 1,087,367	\$ 953,966	\$ 820,565	\$ 687,164	\$ 553,763	\$ 420,362	\$ 286,961
		10/11 Impact	2	\$ 588,005	\$ 511,985	\$ 435,964	\$ 359,944	\$ 283,923	\$ 207,903	\$ 131,882
3/1/2010	3/24/2010	09/10 Impact	8	\$ 873,925	\$ 767,204	\$ 660,484	\$ 553,763	\$ 447,042	\$ 340,321	\$ 233,601
		10/11 Impact	4	\$ 801,447	\$ 698,746	\$ 596,045	\$ 493,345	\$ 390,644	\$ 287,943	\$ 185,242
3/29/2010	4/21/2010	09/10 Impact	6	\$ 660,484	\$ 580,443	\$ 500,402	\$ 420,362	\$ 340,321	\$ 260,281	\$ 180,240
		10/11 Impact	6	\$ 1,014,888	\$ 885,507	\$ 756,127	\$ 626,746	\$ 497,365	\$ 367,984	\$ 238,603
4/26/2010	5/19/2010	09/10 Impact	4	\$ 447,042	\$ 393,682	\$ 340,321	\$ 286,961	\$ 233,601	\$ 180,240	\$ 126,880
		10/11 Impact	8	\$ 1,228,330	\$ 1,072,269	\$ 916,208	\$ 760,147	\$ 604,085	\$ 448,024	\$ 291,963
5/24/2010	6/16/2010	09/10 Impact	2	\$ 233,601	\$ 206,920	\$ 180,240	\$ 153,560	\$ 126,880	\$ 100,200	\$ 73,519
		10/11 Impact	10	\$ 1,441,771	\$ 1,259,030	\$ 1,076,289	\$ 893,548	\$ 710,806	\$ 528,065	\$ 345,324
6/21/2010	7/14/2010	09/10 Impact	0	\$ 20,159	\$ 20,159	\$ 20,159	\$ 20,159	\$ 20,159	\$ 20,159	\$ 20,159
		10/11 Impact	12	\$ 1,655,213	\$ 1,445,791	\$ 1,236,370	\$ 1,026,948	\$ 817,527	\$ 608,105	\$ 398,684

Appendix Table 6. Future Fiscal Year Probationary Costs for Future Academy Cadets Hired in Fiscal Year 2009-10

Class Start Date		Pay Periods	Cost to Run a Class of 40	Cost to Run a Class of 35	Cost to Run a Class of 30	Cost to Run a Class of 25	Cost to Run a Class of 20	Cost to Run a Class of 15	Cost to Run a Class of 10
1/4/2010	10/11 Impact	26	\$ 2,419,385	\$ 2,116,962	\$ 1,814,539	\$ 1,512,115	\$ 1,209,692	\$ 907,269	\$ 604,846
	11/12 Impact	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2/1/2010	10/11 Impact	24	\$ 2,233,278	\$ 1,954,118	\$ 1,674,959	\$ 1,395,799	\$ 1,116,639	\$ 837,479	\$ 558,320
	11/12 Impact	2	\$ 186,107	\$ 162,843	\$ 139,580	\$ 116,317	\$ 93,053	\$ 69,790	\$ 46,527
3/1/2010	10/11 Impact	22	\$ 2,047,172	\$ 1,791,275	\$ 1,535,379	\$ 1,279,482	\$ 1,023,586	\$ 767,689	\$ 511,793
	11/12 Impact	4	\$ 372,213	\$ 325,686	\$ 279,160	\$ 232,633	\$ 186,107	\$ 139,580	\$ 93,053
3/29/2010	09/10 Impact	20	\$ 1,861,065	\$ 1,628,432	\$ 1,395,799	\$ 1,163,166	\$ 930,533	\$ 697,899	\$ 465,266
	10/11 Impact	6	\$ 558,320	\$ 488,580	\$ 418,740	\$ 348,950	\$ 279,160	\$ 209,370	\$ 139,580
4/26/2010	10/11 Impact	18	\$ 1,674,959	\$ 1,465,589	\$ 1,256,219	\$ 1,046,849	\$ 837,479	\$ 628,109	\$ 418,740
	11/12 Impact	8	\$ 744,426	\$ 651,373	\$ 558,320	\$ 465,266	\$ 372,213	\$ 279,160	\$ 186,107
5/24/2010	09/10 Impact	16	\$ 1,488,852	\$ 1,302,746	\$ 1,116,639	\$ 930,533	\$ 744,426	\$ 558,320	\$ 372,213
	10/11 Impact	10	\$ 930,533	\$ 814,216	\$ 697,899	\$ 581,583	\$ 465,266	\$ 348,950	\$ 232,633
6/21/2010	10/11 Impact	14	\$ 1,302,746	\$ 1,139,902	\$ 977,059	\$ 814,216	\$ 651,373	\$ 488,530	\$ 325,686
	11/12 Impact	12	\$ 1,116,639	\$ 977,059	\$ 837,479	\$ 697,899	\$ 558,320	\$ 418,740	\$ 279,160

**LOS ANGELES POLICE DEPARTMENT  
SWORN SALARY/DEPLOYMENT PROJECTION  
FISCAL YEAR 2009-2010**

ATTACHMENT 8

**July 1, 2009 Deployment Compared with December 5, 2009**

Pay Period	Pay period Ending	7-1-09 Projected Deployment	Actual (above line) Deployment	Officers Over Budget
	06/30/09	9963	9963	0
1	07/04/09	9996	9996	0
2	07/18/09	9966	9977	11
3	08/01/09	9968	10004	36
4	08/15/09	9938	9976	38
5	08/29/09	9952	9995	43
6	09/12/09	9931	9982	51
7	09/26/09	9951	10005	54
8	10/10/09	9932	9987	55
9	10/24/09	9950	10018	68
10	11/07/09	9928	9996	68
11	11/21/09	9942	9987	45
12	12/05/09	9926	9971	45
13	12/19/09	9908	9953	45
14	01/02/10	9892	9937	45
15	01/16/10	9917	9962	45
16	01/30/10	9907	9952	45
17	02/13/10	9930	9975	45
18	02/27/10	9914	9959	45
19	03/13/10	9939	9984	45
20	03/27/10	9926	9971	45
21	04/10/10	9960	10005	45
22	04/24/10	9945	9990	45
23	05/08/10	9970	10015	45
24	05/22/10	9956	10001	45
25	06/05/10	9986	10031	45
26	06/19/10	9970	10015	45
	06/30/10			
		9942	9986	
		Averaged	Averaged	

**LOS ANGELES POLICE DEPARTMENT  
SWORN SALARY/DEPLOYMENT PROJECTION  
FISCAL YEAR 2009-2010**

ATTACHMENT 9

**PROJECTED FILLED AUTHORITIES WITHOUT A JANUARY CLASS**

Pay Period	Pay period Ending	ATTRITION		HIRING		7-1-09 Projected Deployment	Actual (above line) Deployment	Officers Over Budget				
		Plan	Actual	Plan	Actual				Based on Original Projected Attrition		Based on 70% of Original Projected Attrition	
									CAO	LAPD	CAO	LAPD
1	06/30/09	14	6	40	39	9963	9963	0	9,994	9,971	9,999	9,976
2	07/04/09	30	19			9996	9996	0	9,976	9,953	9,986	9,958
3	07/18/09	38	13	40	40	9966	9977	11	9,960	9,937	9,975	9,942
4	08/01/09	30	28			9968	10004	36	9,945	9,922	9,965	9,927
5	08/15/09	26	21	40	40	9938	9976	38	9,935	9,912	9,958	9,915
6	08/29/09	21	13			9952	9995	43	9,958	9,935	9,986	9,940
7	09/12/09	20	17	40	40	9931	9982	51	9,942	9,919	9,974	9,924
8	09/26/09	19	18			9951	10005	54	9,967	9,944	10,004	9,949
9	10/10/09	22	9	40	40	9932	9987	55	9,954	9,931	9,995	9,935
10	10/24/09	22	22			9950	10018	68	9,988	9,965	10,031	9,967
11	11/07/09	22	22			9928	9996	68	9,973	9,950	10,020	9,955
12	11/21/09	26	9	40	0	9942	9987	45	9,998	9,975	10,050	9,980
13	12/05/09	16				9926	9971	45	9,984	9,961	10,040	9,965
14	12/19/09	18		0		9908	9953	45	10,014	9,991	10,073	9,994
15	01/02/10	16				9892	9937	45	9,998	9,975	10,062	9,980
16	01/16/10	15		0		9877	9922	45				
17	01/30/10	10				9867	9912	45				
18	02/13/10	17		40		9890	9935	45				
19	02/27/10	16				9874	9919	45				
20	03/13/10	15		40		9899	9944	45				
21	03/27/10	13				9886	9931	45				
22	04/10/10	6		40		9920	9965	45				
23	04/24/10	15				9905	9950	45				
24	05/08/10	15		40		9930	9975	45				
25	05/22/10	14				9916	9961	45				
26	06/05/10	10		40		9946	9991	45				
	06/19/10	16				9930	9975	45				
	06/30/10	Estimated salary for last 11 days of FY 09-10										
		480	175	440	199	9924	9968					
						Averaged	Averaged					

**LOS ANGELES POLICE DEPARTMENT  
SWORN SALARY/DEPLOYMENT PROJECTION**

ATTACHMENT 10

**FISCAL YEAR 2009-2010**

**PROJECTED FILLED AUTHORITIES WITH A JANUARY CLASS**

Pay Period	Pay period Ending	ATTRITION		HIRING		7-1-09 Projected	Actual (above line)	Officers Over
		Plan	Actual	Plan	Actual	Deployment	Deployment	Budget
1	06/30/09					9963	9963	0
2	07/04/09	14	6	40	39	9996	9996	0
3	07/18/09	30	19			9966	9977	11
4	08/01/09	38	13	40	40	9968	10004	36
5	08/15/09	30	28			9938	9976	38
6	08/29/09	26	21	40	40	9952	9995	43
7	09/12/09	21	13			9931	9982	51
8	09/26/09	20	17	40	40	9951	10005	54
9	10/10/09	19	18			9932	9987	55
10	10/24/09	22	9	40	40	9950	10018	68
11	11/07/09	22	22			9928	9996	68
12	11/21/09	26	9	40	0	9942	9987	45
13	12/05/09	16				9926	9971	45
14	12/19/09	18		0		9908	9953	45
15	01/02/10	16				9892	9937	45
16	01/16/10	15		40		9917	9962	45
17	01/30/10	10				9907	9952	45
18	02/13/10	17		40		9930	9975	45
19	02/27/10	16				9914	9959	45
20	03/13/10	15		40		9939	9984	45
21	03/27/10	13				9926	9971	45
22	04/10/10	6		40		9960	10005	45
23	04/24/10	15				9945	9990	45
24	05/08/10	16		40		9970	10015	45
25	05/22/10	14				9956	10001	45
26	06/05/10	10		40		9986	10031	45
	06/19/10	16				9970	10015	45
	06/30/10	Estimated salary for last 11 days of FY 09-10						
		480	175	480	199	9942	9986	
						Averaged	Averaged	

Based on Original Projected Attrition		Based on 70% of Original Projected Attrition	
CAO	LAPD	CAO	LAPD
9,994	9,971	9,999	9,976
9,976	9,953	9,986	9,958
9,960	9,937	9,975	9,942
9,985	9,962	10,005	9,967
9,975	9,952	9,998	9,955
9,998	9,975	10,026	9,980
9,982	9,959	10,014	9,964
10,007	9,984	10,044	9,989
9,994	9,971	10,035	9,975
10,028	10,005	10,071	10,007
10,013	9,990	10,060	9,995
10,038	10,015	10,090	10,020
10,024	10,001	10,080	10,005
10,054	10,031	10,113	10,034
10,038	10,015	10,102	10,020

## Monthly Hiring/ Attrition Tracking Fiscal Year 2009-2010

ITEM	DP 11 - 09	DP 12 - 09	DP 13 - 09	DP 1 -2010	DP 2 -2010	DP 3 -2010	DP 4 -2010	DP 5 -2010	DP 6 -2010
<sup>a</sup> Number of Officers on the Police Force	10,018	9,987							
<sup>b</sup> Number of Officers currently in Academy	243	192							
<sup>c</sup> Number of Recruits scheduled to enter Academy	0	0							
<sup>d</sup> Planned Academy classes for remainder of fiscal year	6	6							
<sup>e</sup> Actual number of Officers enrolled in DROP program	564	554							
<sup>f</sup> Actual number of Officers enrolled in DROP program that must retire in next 12 months and the month they must retire	Nov. 2009	Dec. 2009	1	Dec. 2009	Jan. 2010	Feb. 2010	Mar. 2010	Apr. 2010	May. 2010
	Dec. 2009	Jan. 2010	4	Jan. 2010	Feb. 2010	Mar. 2010	Apr. 2010	May. 2010	June 2010
	Jan. 2010	Feb. 2010	6	Feb. 2010	Mar. 2010	Apr. 2010	May. 2010	June 2010	
	Feb. 2010	Mar. 2010	10	Mar. 2010	Apr. 2010	May. 2010	June 2010		
	Mar. 2010	Apr. 2010	7	Apr. 2010	May. 2010	June 2010			
	Apr. 2010	May. 2010	10	May. 2010	June 2010				
	May. 2010	June 2010	3	June 2010					
	June 2010								
<b>TOTAL</b>	<b>48</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<sup>g</sup> Actual number of Officers that have retired from LAPD	49	57							
<sup>h</sup> Actual number of Officers that have attrited from LAPD and Police Academy	144	175							
<sup>i</sup> Number of Officers on permanent and long term restricted duty	451	451							
<sup>j</sup> Number of Officers hired back to Department on Bounce Program	0	0							

\* Last Updated 12-02-09

\* Currently there is (1) Bounce employee who will separate on 01/04/10.

## SUBSTITUTE ITEM #21

## MOTION

I MOVE that the Council, subject to the approval of the Mayor:

1. INSTRUCT the Los Angeles Police Department (LAPD) to defer the November Academy class consistent with Council and Mayor action to hire to attrition maintaining the size of the police force at 9963.
2. INSTRUCT the LAPD, City Administrative Officer (CAO), Chief Legislative Analyst (CLA) and Personnel Departments to provide with monthly written reports on hiring and attrition that include monthly and year-to-date figures on the following:
  - ✓a. The number of officers on the police force;
  - ✓b. The number of officers currently in the Academy;
  - ✓c. The number of recruits scheduled to enter the Academy;
  - ✓d. Planned Academy classes for the remainder of the fiscal year;
  - ✓e. The actual number of officers enrolled in the DROP program;
  - ✓f. The actual number of officers enrolled in the DROP program that must retire in the next 12 months and the month they must retire;
  - ✓g. The actual number of officers that have retired from the LAPD;
  - ✓h. The actual number of officers that have attrited from the LAPD and the Police Academy;
  - ✓i. The number of officers on permanent and long term restricted duty;
  - j. The number of officers hired back to the Department on the "Bounce" Program; and
  - k. Options available to fund ongoing police hiring.
3. INSTRUCT the Personnel and Public Safety Committees shall meet in the middle of each month through the end of the fiscal year, beginning in November to assess future LAPD hiring, recruitment, and noticing of future Academy classes.
4. INSTRUCT the CAO and LAPD to report back at the mid-January Joint Budget and Finance and Public Safety Committees meeting on options to address the impact on the LAPD of:
  - a. 65 sworn personnel currently working in civilian administrative positions;
  - b. 16 sworn personnel assigned to the Los Angeles International Airport;
  - c. 518 permanent light duty sworn personnel; and,
  - d. 634 temporary light duty sworn personnel.

PRESENTED BY:

DENNIS ZINE

Councilmember, 3<sup>rd</sup> District

GREIG SMITH

Councilmember, 12<sup>th</sup> District

ERIC GARCETTI

Councilmember, 13<sup>th</sup> District

SECONDED BY:

October 23, 2009

ORIGINAL

# LOS ANGELES POLICE DEPARTMENT

## 2009 DEPLOYMENT SCHEDULE

**13 DEC 7, 2008 - JAN 3, 2009**

	S	M	T	W	Th	F	S
A	7	8	9	10	11	12	13
B	14	15	16	17	18	19	20
C	21	22	23	24	25	26	27
D	28	29	30	31	1	2	3

Note: Two SWORN holidays, to be taken anytime within the DP

**1 JAN 4 - JAN 31, 2009**

S	M	T	W	Th	F	S
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

**2 FEB 1 - FEB 28, 2009**

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

**3 MAR 1 - MAR 28, 2009**

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

**4 MAR 29 - APR 25, 2009**

S	M	T	W	Th	F	S
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25

**5 APR 26 - MAY 23, 2009**

S	M	T	W	Th	F	S
26	27	28	29	30	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23

**6 MAY 24 - JUN 20, 2009**

S	M	T	W	Th	F	S
24	25	26	27	28	29	30
31	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20

**7 JUN 21 - JUL 18, 2009**

S	M	T	W	Th	F	S
21	22	23	24	25	26	27
28	29	30	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18

**8 JUL 19 - AUG 15, 2009**

S	M	T	W	Th	F	S
19	20	21	22	23	24	25
26	27	28	29	30	31	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15

**9 AUG 16 - SEP 12, 2009**

S	M	T	W	Th	F	S
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5
6	7	8	9	10	11	12

**10 SEP 13 - OCT 10, 2009**

S	M	T	W	Th	F	S
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	1	2	3
4	5	6	7	8	9	10

**11 OCT 11 - NOV 7, 2009**

S	M	T	W	Th	F	S
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
1	2	3	4	5	6	7

**12 NOV 8 - DEC 5, 2009**

S	M	T	W	Th	F	S
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	1	2	3	4	5

**13 DEC 6, 2009 - JAN 2, 2010**

S	M	T	W	Th	F	S
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2

Note: Two SWORN holidays to be taken anytime within the DP

HOLIDAYS-CIVILIAN Plus one unspecified holiday, LACSSA, Local 347, AFUCIO & LACBCTC members get two unspecified holidays.

DAYS OFF IN LIEU OF HOLIDAYS-SWORN (5/40 schedule)

DAYS OFF IN LIEU OF HOLIDAYS-SWORN (4/10 schedule)

PAY PERIOD ENDS

PAYDAY

CITY OF LOS ANGELES  
CALIFORNIA



JUNE LAGMAY  
City Clerk

KAREN E. KALFAYAN  
Executive Officer

HOLLY L. WOLCOTT  
Executive Officer

ANTONIO R. VILLARAIGOSA  
MAYOR

Office of the  
CITY CLERK

Council and Public Services  
Room 395, City Hall  
Los Angeles, CA 90012  
General Information - (213) 978-1133  
Fax: (213) 978-1040

KONRAD CARTER  
Acting Chief, Council and Public Services  
Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

December 11, 2009

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council file No.  
09-0600-S142, at its meeting held DECEMBER 9, 2009.

  
City Clerk  
VCW

Mayor's Time Stamp  
OFFICE OF THE MAYOR  
RECEIVED

2009 DEC -9 PM 4:44

CITY OF LOS ANGELES

**FORTHWITH**

RECEIVED  
City Clerk's Time Stamp  
CITY CLERK'S OFFICE

2009 DEC -9 PM 4:42

CITY CLERK

BY \_\_\_\_\_  
DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 09-0600-S142

COUNCIL DISTRICT \_\_\_\_\_

COUNCIL APPROVAL DATE DECEMBER 9, 2009

RE: HIRING AND ATTRITION DATA FOR THE LOS ANGELES POLICE DEPARTMENT, AND DEFERRING  
THE DEPARTMENT'S JANUARY, 2010, ACADEMY CLASS

**DEC 21 2009**

LAST DAY FOR MAYOR TO ACT \_\_\_\_\_  
(10 Day Charter requirement as per LAAC Section 4.133)

---

**DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY**

---

APPROVED

✓

\*DISAPPROVED

\*Transmit objections in writing  
pursuant to LAAC Section 4.133

DATE OF MAYOR APPROVAL OR DISAPPROVAL

**DEC 10 2009**

  
MAYOR

BY \_\_\_\_\_  
DEPUTY

CITY CLERK

2009 DEC 11 AM 10:44

RECEIVED  
CITY CLERK'S OFFICE

44  
TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

File No. 09-0600-S142

Your

**PUBLIC SAFETY and  
PERSONNEL COMMITTEES**

report as follows:

PUBLIC SAFETY and PERSONNEL COMMITTEES JOINT REPORT relative to hiring and attrition data for the Police Department, and deferring the Department's January, 2010, academy class.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. INSTRUCT the Police Department to:
  - a. Defer the January academy class, consistent with the Mayor and Council action to hire to attrition to maintain the size of the police force at 9,963 officers.
  - b. Report back within one week to the Public Safety and Personnel Committees with a modified hiring and attrition plan that is consistent with the Mayor and Council action to hire to attrition with a base of 9,963 and projects attrition based on current trends.
2. DIRECT the City Administrative Officer (CAO), Chief Legislative Analyst (CLA), and the Police Department to work with the Mayor and Council to establish one consistent method for tracking deployment for purposes of determining if new classes are needed and at what size.

Fiscal Impact Statement: The CAO reports that hiring a January academy class of 40 LAPD officers, along with the remaining scheduled classes, will negatively impact the General Fund. Future hiring will increase the Police Department's existing \$80.3 million General Fund deficit to \$88 million.

Community Impact Statement Submitted: None

SUMMARY

In a report to the Mayor and Council dated December 3, 2009 (attached to the Council file), the CAO recommends that Council instruct the Police Department to defer the January Academy class. The CAO reports that as of December 1, 2009, there are 10,010 officers on the police force. Attrition has been less than anticipated.

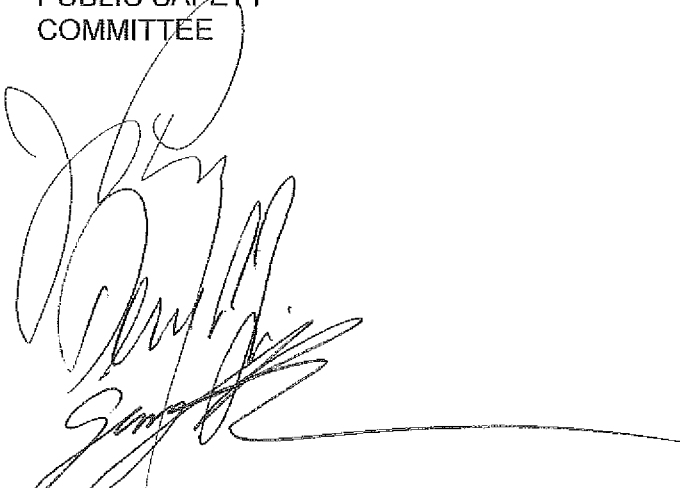
In an addendum report to the Mayor and Council dated December 7, 2009 (attached to the Council file), the CAO further discusses police hiring. According to the CAO, the Police Department has projected a higher attrition rate than what was originally reported by the CAO. It is further reported that police officers on State-rate injured on duty (IOD) disability status are excluded from the Police Department's estimate of the police force. Using data provided by the Police Department, the CAO still concludes that the Department could defer the January class and still finish the year with 9,963 budgeted officers.

At their joint meeting held December 7, 2009, the Public Safety and Personnel Committees discussed this matter with representatives of the CAO and the Police Department, and the Chief of Police. The Chief of Police reaffirmed his support for proceeding with January Academy class. The Chief stated that Department attrition will increase in January. Continued hiring is necessary to maintain the size of the force. Committee members objected to the exclusion of IOD officers from the police force count, and expressed concerns regarding the impact of further police hiring on the General Fund.

A representative of the CLA addressed the Committees and recommended that Council defer the January Academy class. The Committees concurred with this recommendation, further acting to recommend that Council direct the CAO, CLA, and the Police Department to develop one consistent method for tracking deployment for purposes of determining if new classes are needed and at what size.

Respectfully submitted,

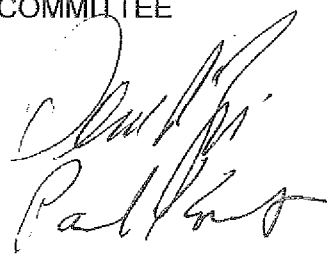
PUBLIC SAFETY  
COMMITTEE



MEMBER	VOTE
SMITH:	YES
CARDENAS:	ABSENT
PERRY:	YES
REYES:	ABSENT
ZINE:	YES

JAW  
09-0600-s142\_rpt\_ps\_12-07-2009

PERSONNEL  
COMMITTEE



MEMBER	VOTE
ZINE:	YES
KORETZ:	YES
PARKS:	YES

**ADOPTED**  
*as amended*  
DEC 09 2009

LOS ANGELES CITY COUNCIL

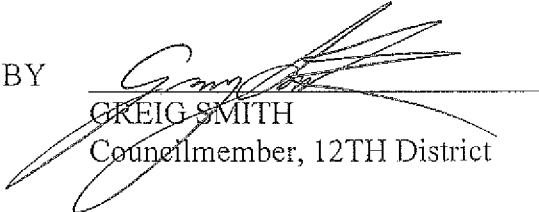
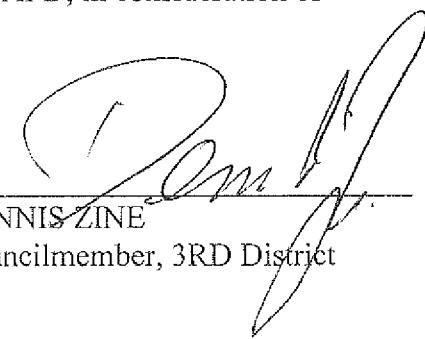
TO THE MAYOR FORTHWITH  
*see attached motion*

## MOTION

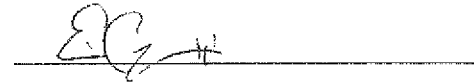
I MOVE that Item 44 on today's Council Agenda (C.F. 09-0600-S142) relative to a joint report from Public Safety and Personnel Committees regarding hiring and attrition data for the Los Angeles Police Department, and deferring the January 2010 academy class, be AMENDED by substituting Recommendation 1.a. with the following language, inasmuch as additional information has been received relative to recruits who were injured during academy training and who are now available to complete their academy training:

Instruct the LAPD to make offers for a January 2010 class consisting of up to 11 former academy recruits and, to provide a more conducive training environment, up to 21 new recruit offers, with future classes in 2010 requiring Council approval based on triggers to be identified in an upcoming report from the CAO and LAPD, in consideration of attrition and budgetary constraints.

PRESENTED BY

  
GREIG SMITH  
Councilmember, 12TH District  
DENNIS ZINE  
Councilmember, 3RD District

SECONDED BY



December 9, 2009

smt

**ADOPTED**

DEC 09 2009

LOS ANGELES CITY COUNCIL



ORIGINAL

COUNCIL VOTE

Dec 9, 2009 2:45:45 PM, #8

ITEM NO. (44)

Voting on Item(s): 44

Roll Call

ALARCON	Yes
CARDENAS	Absent
HAHN	Absent
HUIZAR	Yes
KORETZ	Yes
LABONGE	Yes
PARKS	Absent
PERRY	Yes
REYES	Absent
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
*ZINE	Yes
GARCETTI	Yes

Present: 10, Yes: 10 No: 0

COUNCIL VOTE

Dec 9, 2009 2:46:01 PM, #9

ITEM NO. (44)

Adopt as Amended

ALARCON	Yes
CARDENAS	Absent
HAHN	Absent
HUIZAR	Yes
KORETZ	Yes
LABONGE	Yes
PARKS	Absent
PERRY	No
REYES	Absent
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
*ZINE	Yes
GARCETTI	Yes
Present: 10, Yes: 9 No: 1	

**CITY OF LOS ANGELES SPEAKER CARD**

Date

12-09-09

**THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.**

Council File No., Agenda Item, or Case No.

44

I wish to speak before the

Council  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

Name: Armando Saez ( ) General comments

Business or Organization Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_

Street

City

State

Zip

Business phone: \_\_\_\_\_

Representing: \_\_\_\_\_

**CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:**

☐

Client Name: \_\_\_\_\_

Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_

Street

City

State

Zip

Please see reverse of card for important information and submit this entire card to the presiding officer or chairperson.

**NOTE: THIS IS A PUBLIC DOCUMENT.**

Please fill this form out before you leave. It will be picked up from this table after the discussion. Thank you, Staff

## SPEAKER LIST

DATE: 12/9/2009

ITEM #: 44

[illegible]

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

---

Date: December 3, 2009

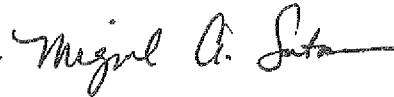
CAO File No. 0220-04531-0001

Council File No. 09-0600-S142

Council District: ALL

To: The Mayor  
The Council

From: Miguel A. Santana, City Administrative Officer



Reference: Transmittal from the City Council dated October 23, 2009

Subject: **DECEMBER 2009 LOS ANGELES POLICE DEPARTMENT HIRING AND  
ATTRITION REPORT**

---

### SUMMARY

On October 23, 2009, the Council reaffirmed the Mayor and Council's original 2009-10 sworn hiring plan allowing the Los Angeles Police Department (LAPD) to hire to attrition and to maintain sworn deployment at 9,963 officers (C.F. 09-0600-S142). Motion #21 instructed the LAPD, the City Administrative Officer (CAO), the Chief Legislative Analyst (CLA), and the Personnel Department to provide a monthly written report addressing the LAPD's hiring and attrition activities. Council specifically requested the year-to-date numbers on the following items:

- As of December 1, 2009, the Los Angeles Police Department (LAPD) has 10,010 officers on the police force.
- The Department's 10,010 officers consist of 9,661 officers in General Funded position authorities, 326 officers in special or grant funded position authorities, 21 officers in unfunded State-rate injury on duty position authorities, and two officers in the Bounce program. A detailed breakdown of the LAPD's current authorities is provided in Attachment 1.
- As of December 1, 2009, the LAPD has 217 officers in the Police Academy. The Department's sworn hiring plan did not include a December class, so the LAPD has zero recruits scheduled to enter the Academy. The LAPD has six planned classes for the remainder of the fiscal year; the next planned class is scheduled to begin on January 4, 2010.
- As of December 1, 2009, the LAPD has 555 officers enrolled in the DROP program. Three officers are scheduled for retirement on December 30, 2009. An additional 85 officers must retire under the terms of the DROP program between January 1, 2010 and December 31, 2010.
- As of December 1, 2009, the LAPD is 138 officers behind planned attrition. The LAPD's planned attrition from July 1, 2009 to December 5, 2009 is 284 officers. As of December 1, 2009, the LAPD has experienced attrition of 146 officers.

**PUBLIC SAFETY**

**PERSONNEL BUDGET & FINANCE**

- As of December 1, 2009, the LAPD has experienced attrition of 146 officers. The 146 officers consist of 48 retirees (44 retirees participated in the DROP program), 57 Academy recruits, 14 probationary officers in the Police Officer I class, and 27 other separations.
- As of Deployment Period 11, the LAPD reports 451 officers on permanent and long term restricted duty.

## **DISCUSSION**

On October 23, 2009, Council instructed the Personnel and Public Safety Committees to meet through the end of the fiscal year to assess LAPD hiring, LAPD recruitment, and future Academy classes. The LAPD's planned attrition from July 1, 2009 to December 5, 2009 is 284 officers. As of December 1, 2009, the LAPD has experienced attrition of 146 officers. Currently, the LAPD is 138 officers behind planned attrition. The Department's planned attrition from December 6, 2009 to February 28, 2010 is 92 officers. If the LAPD realizes all planned attrition between now and February 28, 2010, the Department will be behind planned attrition by 46 officers.

## **RECOMMENDATION**

That the Council, subject to the approval of the Mayor, instruct the Los Angeles Police Department to defer the January Academy class consistent with the Mayor and Council action to hire to attrition to maintain the size of the police force at 9,963 officers.

## **FISCAL IMPACT STATEMENT**

Hiring a January Academy class will negatively impact the General Fund and increase the LAPD's existing \$85 million General Fund budget deficit.

MAS:JLK:04100065c

ATTACHMENT

LAPD DEPLOYMENT AS OF 12/1/09		1-Jul	1-Dec	1-Jan	1-Feb	1-Mar	1-Apr	1-May	1-Jun
GF	Academy	357	217						
GF	Probation	730	608						
GF	Bounce	0	2						
GF	DROP	584	564						
CHRP ARRA	CHRP Grant Officers	0	50						
GF	Civilianization	65	65						
GF	General	7334	7706						
GF	Permanent Restrictions	518	451						
<b>Total CHRP Base (need to maintain 9,638)</b>		<b>9588</b>	<b>9663</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Non-CHRP	Grant/Special Funded	349	326						
Non-CHRP	State-rate IOD	26	21						
<b>Total Non-CHRP Base</b>		<b>375</b>	<b>347</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>LAPD Base (CHRP + Non-CHRP)</b>		<b>9963</b>	<b>10010</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Grant funded positions deleted after 7/6:

- One Sergeant II from Operation ABC - loss of funding
- One Detective III from Real Estate Fraud - loss of funding
- Three Detective II from Real Estate Fraud - loss of funding
- One Detective II from PSN - grant ends 12/31/09
- Two Detective III from CLEAR - \$2M drop in SLESF revenue
- 15 Detective II from CLEAR - \$2M drop in SLESF revenue

Special funded positions deleted after 7/6:

## SUBSTITUTE ITEM #21

## MOTION

I MOVE that the Council, subject to the approval of the Mayor:

1. INSTRUCT the Los Angeles Police Department (LAPD) to defer the November Academy class consistent with Council and Mayor action to hire to attrition maintaining the size of the police force at 9963.
2. INSTRUCT the LAPD, City Administrative Officer (CAO), Chief Legislative Analyst (CLA) and Personnel Departments to provide with monthly written reports on hiring and attrition that include monthly and year-to-date figures on the following:
  - ✓a. The number of officers on the police force;
  - ✓b. The number of officers currently in the Academy;
  - ✓c. The number of recruits scheduled to enter the Academy;
  - ✓d. Planned Academy classes for the remainder of the fiscal year;
  - ✓e. The actual number of officers enrolled in the DROP program;
  - ✓f. The actual number of officers enrolled in the DROP program that must retire in the next 12 months and the month they must retire;
  - ✓g. The actual number of officers that have retired from the LAPD;
  - ✓h. The actual number of officers that have attrited from the LAPD and the Police Academy;
  - ✓i. The number of officers on permanent and long term restricted duty;
  - j. The number of officers hired back to the Department on the "Bounce" Program; and
  - k. Options available to fund ongoing police hiring.
3. INSTRUCT the Personnel and Public Safety Committees shall meet in the middle of each month through the end of the fiscal year, beginning in November to assess future LAPD hiring, recruitment, and noticing of future Academy classes.
4. INSTRUCT the CAO and LAPD to report back at the mid-January Joint Budget and Finance and Public Safety Committees meeting on options to address the impact on the LAPD of:
  - a. 65 sworn personnel currently working in civilian administrative positions;
  - b. 16 sworn personnel assigned to the Los Angeles International Airport;
  - c. 518 permanent light duty sworn personnel; and,
  - d. 634 temporary light duty sworn personnel.

PRESENTED BY:

DENNIS ZINE

Councilmember, 3<sup>rd</sup> District

GREIG SMITH

Councilmember, 12<sup>th</sup> District

ERIC GARCETTI

Councilmember, 13<sup>th</sup> District

SECONDED BY:

Paul Kuntz

Paul Kuntz

Dennis Zine

October 23, 2009

ORIGINAL

# CITY OF LOS ANGELES

CALIFORNIA



JUNE LAGMAY  
City Clerk

KAREN E. KALFAYAN  
Executive Officer

HOLLY L. WOLCOTT  
Executive Officer

ANTONIO R. VILLARAIGOSA  
MAYOR

Office of the  
CITY CLERK

Council and Public Services  
Room 395, City Hall  
Los Angeles, CA 90012  
General Information - (213) 978-1133  
Fax: (213) 978-1040

KONRAD CARTER  
Acting Chief, Council and Public Services  
Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

November 3, 2009

PLACE IN FILES  
NOV 4 7 2009  
DEPUTY

To All Interested Parties:

The City Council adopted the action(s), as attached, under

Council file No. 09-0600-S142 , at its meeting held October 30, 2009 .

City Clerk  
os

21

File No. 09-0600-S142

**TO THE COUNCIL OF THE  
CITY OF LOS ANGELES**

**Your**

**BUDGET AND FINANCE Committee**

**reports as follows:**

BUDGET AND FINANCE COMMITTEE REPORT relative to updated operational plans and continued consideration of the Committee's Minority Report recommendation Nos. 3,4,5,6 and 15 relative to the 2009-10 Budget Balancing Operational Plan.

Recommendations for Council action:

1. CONSIDER this item in conjunction with the tentative agreement with the Coalition of Los Angeles City Unions (Coalition), the Early Retirement Incentive Program (ERIP), and the tentative agreement with the Los Angeles Police Protective League (LAPPL).
2. REFER the Budget and Finance Committee Minority Report Recommendation Nos. 3, 4, 5, 6 and 15 back to the Budget and Finance Committee for continued consideration if the tentative agreement with the Coalition and ERIP are not approved by the Council.
3. APPROVE the following recommendations if the tentative agreement with the Coalition and ERIP are approved by Council:
  - a. Receive and file Budget and Finance Committee Minority Report Recommendation Nos. 3, 4, 5, 6 and 15.
  - b. Instruct departments to implement the Coalition agreement and to work with the City Administrative Officer (CAO) and Chief Legislative Analyst (CLA) to determine projected current year savings by source of funds and to report any remaining budgetary gap by source of funds within two weeks of its approval.
  - c. Instruct departments and the CAO/CLA to report back within 30-days with operational plans, including service level impacts, to close any budgetary gaps identified under 3.b. above.
  - d. Instruct the CAO/CLA to develop and implement tools that will facilitate the monitoring of savings identified in the Coalition agreement and to report monthly to Council on the actual savings generated.
  - e. Instruct departments and the Personnel Department to begin the layoff process/placement of all non-coalition position eliminations included in the 2009-10 Adopted Budget and the September 11, 2009 Budget Balancing Operational Plan Report to Council.
  - f. Instruct departments and the CAO/CLA to report back to Council in January with the actual ERIP participation counts, projected current year savings, and service level impacts.
  - g. Instruct the CAO/CLA to monitor and report monthly to Council on the actual savings generated by ERIP.

4. APPROVE the following recommendations if the tentative agreement with LAPPL is approved by the Council:
  - a. Instruct the Los Angeles Police Department (LAPD) to implement the LAPPL agreement and to work with the CAO and CLA to determine projected current year savings and to report any remaining budgetary gap within two weeks of its approval.
  - b. Instruct the LAPD and the CAO/CLA to report back within 30-days with an operational plan, including service level impacts, to close any budgetary gaps identified under 4.a. above.
  - c. Instruct the CAO/CLA to develop and implement tools that will facilitate the monitoring of savings identified in the LAPPL agreement and to report monthly to Council on the actual savings generated.

Fiscal Impact Statement: Neither the CAO nor the CLA have completed a financial analysis of this report.

Community Impact Statement: None submitted

### SUMMARY

At its meeting of October 26, 2009, the Budget and Finance Committee considered updated operational plans and continued consideration of the Committee's Minority Report recommendation Nos. 3,4,5,6 and 15 relative to the 2009-10 Budget Balancing Operational Plan. The CAO submitted recommendations in Committee relative to actions the Council should take if, on October 30, 2009, the Council approves the tentative agreement with the Coalition, the ERIP, and the tentative agreement with LAPPL. Recommendations are also provided should the Council not approve these tentative agreements.

The CAO reported that the ERIP was ratified by the Coalition of City Unions on September 23, 2009, and will be considered by the Council on October 30, 2009. Additionally, the CAO has received ratification from the LAPPL of a tentative agreement with the LAPD. Combined, these two labor agreements represent nearly \$200 million in savings for this fiscal year, and additional savings for next year and following years. The CAO reported that the City still has a significant problem, and that the City needs to remain vigilant, particularly to as it relates to issues involving civilian cash overtime which is projected to be \$22 million this fiscal year, and sworn overtime which through the tentative agreement with the LAPPL represents a \$45 million savings. The CAO additionally has identified \$9 million in targeted solutions which equates to the elimination of 251 positions, which will not include Coalition members or LAPD personnel represented by the LAPPL. Remaining bargaining units which have not concluded negotiations with the CAO will be affected by the proposed lay-offs. The CAO recommends that departments be instructed to work with the CAO and CLA to determine projected current year savings by source of funds and to report any remaining budgetary gap by source of funds within two weeks of the proposed ERIP, if approved by the Council. Additionally, the CAO recommends that departments report back within 30-days with operational plans, including service level impacts, to assist the Council in quickly addressing remaining budgetary gaps in January when the Mid-Year Financial Status Report is released.

This Committee report reflects the actions taken by the Budget and Finance Committee relative to updated operational plans and continued consideration of the Committee's Minority Report recommendation Nos. 3,4,5,6 and 15 relative to the 2009-10 Budget Balancing Operational Plan.

This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

*Bernard A. Parker*  
*Paul King*

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
SMITH:	ABSENT
ROSENDAHL:	YES
HUIZAR:	ABSENT
KORETZ:	YES

LB  
09-0600-S142\_rpt\_bfc\_10-27-09

**ADOPTED**  
*AS Amended*  
OCT 30 2009

LOS ANGELES CITY COUNCIL  
*see attached*  
*motions*

-NOT OFFICIAL UNTIL COUNCIL ACTS-


**MOTION**

I MOVE that the Budget and Finance Committee Report relative to updated operational plans and continued consideration of the Committee's Minority Report, Item No. 21 (C.F. 09-0600-S142) on today's Council Agenda, be amended to add the following recommendation for Council action:

3. APPROVE the following recommendations if the tentative agreement with the Coalition and ERIP are approved by Council:

h. Instruct the Personnel to coordinate job-sharing matches for employees who wish to work half-time, rather than full-time, at the discretion of each General Manager, as a budgetary cost saving measure.

PRESENTED BY



JANICE HAHN

Councilmember, 15<sup>th</sup> District

SECONDED BY

**ORIGINAL**

*Amending Motion*  
**ADOPTED**

OCT 30 2009

LOS ANGELES CITY COUNCIL

OCT 30 2009



**VERBAL MOTION**

I HEREBY MOVE that Council AMEND the Budget and Finance Committee Report (Item No. 11, CF 09-0600-S142) relative to updated operational plans and continued consideration of the Committee's Minority Report recommendation nos. 3,4,5,6 and 15 relative to the 2009-10 Budget Balancing Operational Plan, as follows:

**AMEND Recommendation No. 3 e to adopt the following in lieu of the original recommendation:**

- e. **INSTRUCT departments and the Personnel Department to begin the layoff process/placement of all non-coalition position eliminations included in the 2009-10 Adopted Budget and the September 11, 2009 Budget Balancing Operational Report to Council.**
  - 1) **Instruct the Personnel Department to calculate all necessary layoffs through December 19, 2009.**
  - 2) **Instruct the General Managers, of those affected departments, to identify the number and classification of employees within the same service category or program required to be laid off to achieve the operation plan savings and submit the list to the Personnel Department by December 31, 2009.**

PRESENTED BY \_\_\_\_\_

BERNARD C. PARKS  
Councilmember, 8th District

SECONDED BY \_\_\_\_\_

BILL ROSENDAHL  
Councilmember, 11th District

October 30, 2009

CF 09-0600-S142

**ADOPTED**

**OCT 30 2009**

**LOS ANGELES CITY COUNCIL**

COUNCIL VOTE

Oct 30, 2009 1:44:23 PM, #18

Items for Which Public Hearings Have Been Held - Items 21-23

Voting on Item(s): 21-23

Roll Call

ALARCON	Yes
CARDENAS	Yes
HAHN	Yes
HUIZAR	Yes
KORETZ	Yes
LABONGE	Yes
PARKS	Yes
PERRY	Yes
REYES	Yes
ROSENDAHL	Yes
SMITH	Absent
(VACANT)	Absent
WESSON	Absent
ZINE	Yes
*GARCETTI	Yes

Present: 12, Yes: 12 No: 0

# CITY OF LOS ANGELES

CALIFORNIA



JUNE LAGMAY  
City Clerk

KAREN E. KALFAYAN  
Executive Officer

HOLLY L. WOLCOTT  
Executive Officer

ANTONIO R. VILLARAIGOSA  
MAYOR

Office of the  
CITY CLERK

Council and Public Services  
Room 395, City Hall  
Los Angeles, CA 90012  
General Information - (213) 978-1133  
Fax: (213) 978-1040

KONRAD CARTER  
Acting Chief, Council and Public Services  
Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

October 29, 2009

To All Interested Parties:

PLACE IN FILES  
OCT 30 2009  
DEPT 17

The City Council adopted the action(s), as attached, under Council file No.  
09-0600-S142, at its meeting held October 23, 2009.

  
City Clerk  
srb

Mayor's Time Stamp  
OFFICE OF THE MAYOR  
RECEIVED  
2009 OCT 26 PM 3:30  
CITY OF LOS ANGELES

**FORTHWITH**

City Clerk's Time Stamp  
CITY CLERK'S OFFICE  
2009 OCT 26 PM 3:28  
CITY CLERK  
BY \_\_\_\_\_ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 09-0600-S142

COUNCIL DISTRICT \_\_\_\_\_

COUNCIL APPROVAL DATE October 23, 2009

RE: RECONSIDERATION OF THE BUDGET AND FINANCE COMMITTEE MINORITY REPORT  
RECOMMENDATIONS 13A AND 13B, RELATIVE TO AMENDING THE EMERGENCY  
DECLARATION TO INCLUDE SWORN FURLOUGHS IN THE CONTEXT OF CONTINUING  
NEGOTIATIONS WITH SWORN PERSONNEL, AND RELATED MATTERS.

NOV 05 2009

LAST DAY FOR MAYOR TO ACT \_\_\_\_\_  
(10 Day Charter requirement as per LAAC Section 4.133)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

✓

\*D APPROVED

\*Transmit objections in writing  
pursuant to LAAC Section 4.133

DATE OF MAYOR APPROVAL OR DISAPPROVAL OCT 27 2009

MAYOR

RECEIVED  
CITY CLERK'S OFFICE  
2009 OCT 27 PM 3:05  
CITY CLERK  
BY \_\_\_\_\_ DEPUTY

MOTION

I MOVE that the Council, subject to the approval of the Mayor:

1. INSTRUCT the Los Angeles Police Department (LAPD) to defer the November Academy class consistent with Council and Mayor action to hire to attrition maintaining the size of the police force at 9963.
2. INSTRUCT the LAPD, City Administrative Officer (CAO), Chief Legislative Analyst (CLA) and Personnel Departments to provide with monthly written reports on hiring and attrition that include monthly and year-to-date figures on the following:
  - a. The number of officers on the police force;
  - b. The number of officers currently in the Academy;
  - c. The number of recruits scheduled to enter the Academy;
  - d. Planned Academy classes for the remainder of the fiscal year;
  - e. The actual number of officers enrolled in the DROP program;
  - f. The actual number of officers enrolled in the DROP program that must retire in the next 12 months and the month they must retire;
  - g. The actual number of officers that have retired from the LAPD;
  - h. The actual number of officers that have attrited from the LAPD and the Police Academy;
  - i. The number of officers on permanent and long term restricted duty;
  - j. The number of officers hired back to the Department on the "Bounce" Program; and
  - k. Options available to fund ongoing police hiring.
3. INSTRUCT the Personnel and Public Safety Committees shall meet in the middle of each month through the end of the fiscal year, beginning in November to assess future LAPD hiring, recruitment, and noticing of future Academy classes.
4. INSTRUCT the CAO and LAPD to report back at the mid-January Joint Budget and Finance and Public Safety Committees meeting on options to address the impact on the LAPD of:
  - a. 65 sworn personnel currently working in civilian administrative positions;
  - b. 16 sworn personnel assigned to the Los Angeles International Airport;
  - c. 518 permanent light duty sworn personnel; and,
  - d. 634 temporary light duty sworn personnel.

PRESENTED BY:

*[Signature]*  
DENNIS ZINE

Councilmember, 3<sup>rd</sup> District

*[Signature]*  
GREIG SMITH

Councilmember, 12<sup>th</sup> District

*[Signature]*  
ERIC GARCETTI

Councilmember, 13<sup>th</sup> District

SECONDED BY:

*[Signature]*  
*[Signature]*

*[Signature]*  
*[Signature]*

October 23, 2009

ORIGINAL

sub mot.  
ADOPTED  
AS AMENDED

OCT 23 2009  
in lieu of Committee Report  
LOS ANGELES CITY COUNCIL

BY MAYOR FORTHWORTH

cc attached motion

EC


# ITEM 21 - C

## MOTION

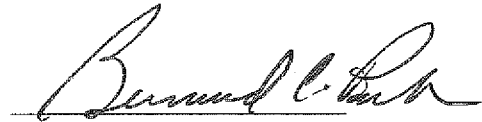
I MOVE that the matter of the Budget and Finance and Public Safety Committees' Reports relative to reconsideration of the Budget and Finance Committee Minority Report recommendations 13a and 13b, relative to amending the emergency declaration to include sworn furloughs in the context of continuing negotiations with sworn personnel, and related matters, Item No. 21 on today's Council Agenda (CF 09-0600-S142), **BE AMENDED**, to request the Chief of Police to re-assign all 16 LAPD officers from the LAX station to other duties, as these positions are not being reimbursed by LAWA, and until reimbursement is negotiated.

PRESENTED BY:

  
JANICE HAHN  
Councilwoman, 15<sup>th</sup> District

  
PAUL KORETZ  
Councilman, 5<sup>th</sup> District

SECONDED BY:



October 23, 2009  
ak

*Amending motion*  
**ADOPTED**

OCT 23 2009

LOS ANGELES CITY COUNCIL

FORTHWITH

ORIGINAL

COUNCIL VOTE

Oct 23, 2009 2:03:28 PM, #8

ITEM NO. (21)

Voting on Item(s): 21

Roll Call

ALARCON	Yes
CARDENAS	Absent
HAHN	Yes
HUIZAR	Absent
KORETZ	Yes
LABONGE	Yes
PARKS	Yes
PERRY	Yes
REYES	Yes
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
*ZINE	Yes
GARCETTI	Absent

Present: 11, Yes: 11 No: 0

**TO THE COUNCIL OF THE  
CITY OF LOS ANGELES**

Your

**BUDGET AND FINANCE Committee**

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to reconsideration of the Budget and Finance Committee Minority Report recommendations 13a and 13b, relative to amending the emergency declaration to include sworn furloughs in the context of continuing negotiations with sworn personnel, and related matters.

Recommendations for Council action:

1. INSTRUCT the Los Angeles Police Department (LAPD) to cease hiring after the October 2009 class and that an evaluation be conducted on a monthly basis, with a re-evaluation of hiring to be done when the number of sworn personnel drops below the 10,000 number.
2. INSTRUCT the LAPD and the Personnel Department to stop recruitment efforts inasmuch as over 1000 prospective applicants are currently in the candidate pool.
3. INSTRUCT the Budget and Finance and Public Safety Committees to meet in mid-January 2010 to assess future LAPD hiring and recruitment.
4. RECEIVE and FILE the Motion (Hahn-Zine) relative to instructing the LAPD to suspend sending any future letters out for new police officer hiring inasmuch as Recommendation No. 1 of this Committee report addresses this matter and no further action on this Motion is necessary.
5. INSTRUCT the City Administrative Officer (CAO), with the LAPD, to report back at the mid-January Joint Budget and Finance and Public Safety Committees' meeting on options to address the impact on the LAPD of:
  - a. 65 sworn personnel currently working in civilian administrative positions;
  - b. 16 sworn personnel assigned to the Los Angeles International Airport;
  - c. 518 permanent light duty sworn personnel; and,
  - d. 634 temporary light duty sworn personnel.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted

## SUMMARY

On October 5, 2009, the Budget and Finance (B&F) and Public Safety Committees met jointly to reconsider the B&F Committee Minority Report recommendations 13a and 13b, relative to amending the emergency declaration to include sworn furloughs in the context of continuing negotiations with sworn personnel, cessation of LAPD sworn hiring after the October 2009 Police Academy class, and the Motion (Hahn-Zine) relative to instructing the LAPD to suspend sending any future letters out for new police officer hiring. These matters were referred back to Committee by the Council on September 29, 2009.

During a lengthy discussion which included public comment as well as questions to the President of the Police Protective League (PPL), the Committee members questioned both LAPD and the CAO on numerous issues related to the LAPD's \$129 - 140 million shortfall in the sworn and civilian salary accounts. While the LAPD has identified \$11.5 million in savings, it does not come close to addressing the combined sworn/civilian budget shortfall.

LAPD personnel costs represent 96 percent of the Department's budget; therefore, the necessary savings cannot be achieved through reductions in equipment expenditures, etc. The only option to achieve the required savings is through a reduction in personnel costs. The CAO reported that additional savings are hoped to be achieved through negotiations with the PPL. The LAPD reported that the Chief of Police has stated that if the concessions do not come forth from the PPL, that he is considering furloughs for sworn personnel. It was reported that the Chief does not find layoffs to be acceptable because it would reduce the Department's deployable workforce. The LAPD additionally reported that the Chief of Police favors continuing to hire which would allow the Department to maintain the current number of officers. The PPL President advised the Committees that furlough of experienced employees while continuing to hire new employees is not supported by the PPL. In a roll call vote of both Committees, the Public Safety Committee (unanimous vote of members present) and B&F Committee (4 yes votes; 1 no vote) voted to cease hiring after the October 2009 Police Academy class, to evaluate attrition on a monthly basis with a re-evaluation of hiring to be done when the number of sworn personnel drops below the 10,000 number. In a subsequent vote, the Committees agreed (one No vote) to stop sworn recruitment efforts by the Personnel Department and the LAPD, inasmuch as there are currently over 1000 individuals in the LAPD application process.

In response to questions from members of the Committees, the LAPD reported that there are currently 65 sworn personnel filling civilian positions, as well as 518 permanent light duty sworn personnel and 634 temporary light duty sworn personnel. Additionally, 16 sworn personnel remain assigned to the Los Angeles International Airport sub-station for which LAPD is not being reimbursed by the Los Angeles World Airports. The Committees unanimously approved a recommendation to meet in mid-January 2010 to assess future LAPD hiring, options to replace sworn personnel currently working in civilian positions, as well as to consider requested report backs by the CAO and LAPD relative to the impacts on the Department of these personnel issues.

In their reconsideration of the Emergency Resolution to include sworn furloughs in the context of continuing negotiations with sworn personnel, which was referred back to the Committees by the Council, the Public Safety Committee voted 3 to 1 in favor of reconfiguring the Emergency Resolution to include information relative to sworn furloughs, with the Resolution to specifically state that it not be implemented without a specific vote of the City Council. The members of the B&F Committee, however, voted 3 to 2 against reconfiguring the Emergency Resolution. The Public

Safety and B&F Committee members that voted against reconfiguring the Emergency Resolution felt that a Yes vote on this issue would send the wrong message, that they supported furloughs when they do not, even though the instruction to the City Attorney relative to the Emergency Resolution is to include a clause that the Resolution not be implemented without a specific vote of the Council.

Following a lengthy discussion and roll call votes of both Committees on the various recommendations, the recommendations contained in this Budget and Finance Committee report reflects the actions taken by the Committee. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
SMITH:	YES
ROSENDAHL:	YES
HUIZAR:	NO (Yes vote on recommendations 3 and 4)
KORETZ:	YES

LB  
09-0600-S142\_rpt\_bfc\_10-06-09

OCT 13 2009 - CONTINUED TO OCT 20, 2009  
OCT 20 2009 - CONTINUED TO OCT 23, 2009

OCT 23 2009 Received and Filed

-NOT OFFICIAL UNTIL COUNCIL ACTS-

TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your

PUBLIC SAFETY Committee

reports as follows:

PUBLIC SAFETY COMMITTEE REPORT relative to reconsideration of the Budget and Finance Committee Minority Report recommendations 13a and 13b, relative to amending the emergency declaration to include sworn furloughs in the context of continuing negotiations with sworn personnel, and related matters.

Recommendations for Council action:

1. INSTRUCT the Los Angeles Police Department (LAPD) to cease hiring after the October 2009 class and that an evaluation be conducted on a monthly basis, with a re-evaluation of hiring to be done when the number of sworn personnel drops below the 10,000 number.
2. INSTRUCT the LAPD and the Personnel Department to stop recruitment efforts inasmuch as over 1000 prospective applicants are currently in the candidate pool.
3. INSTRUCT the Budget and Finance and Public Safety Committees to meet in mid-January 2010 to assess future LAPD hiring and recruitment.
4. REQUEST the City Attorney and INSTRUCT the City Administrative Officer (CAO) to reconfigure the Emergency Resolution to include information relative to sworn furloughs, with the Resolution to specifically state that it not be implemented without a specific vote of the City Council.
5. RECEIVE and FILE the Motion (Hahn-Zine) relative to instructing the LAPD to suspend sending any future letters out for new police officer hiring inasmuch as Recommendation No. 1 of this Committee report addresses this matter and no further action on this Motion is necessary.
6. INSTRUCT the CAO and LAPD to report back at the mid-January Joint Budget and Finance and Public Safety Committees meeting on options to address the impact on the LAPD of:
  - a. 65 sworn personnel currently working in civilian administrative positions;
  - b. 16 sworn personnel assigned to the Los Angeles International Airport;
  - c. 518 permanent light duty sworn personnel; and,
  - d. 634 temporary light duty sworn personnel.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted

## SUMMARY

On October 5, 2009, the Budget and Finance (B&F) and Public Safety Committees met jointly to reconsider the B&F Committee Minority Report recommendations 13a and 13b, relative to amending the emergency declaration to include sworn furloughs in the context of continuing negotiations with sworn personnel, cessation of LAPD sworn hiring after the October 2009 Police Academy class, and the Motion (Hahn-Zine) relative to instructing the LAPD to suspend sending any future letters out for new police officer hiring. These matters were referred back to Committee by the Council on September 29, 2009.

During a lengthy discussion which included public comment as well as questions to the President of the Police Protective League (PPL), the Committee members questioned both LAPD and the CAO on numerous issues related to the LAPD's \$129 - 140 million shortfall in the sworn and civilian salary accounts. While the LAPD has identified \$11.5 million in savings, it does not come close to addressing the combined sworn/civilian budget shortfall.

LAPD personnel costs represent 96 percent of the Department's budget; therefore, the necessary savings cannot be achieved through reductions in equipment expenditures, etc. The only option to achieve the required savings is through a reduction in personnel costs. The CAO reported that additional savings are hoped to be achieved through negotiations with the PPL. The LAPD reported that the Chief of Police has stated that if the concessions do not come forth from the PPL, that he is considering furloughs for sworn personnel. It was reported that the Chief does not find layoffs to be acceptable because it would reduce the Department's deployable workforce. The LAPD additionally reported that the Chief of Police favors continuing to hire which would allow the Department to maintain the current number of officers. The PPL President advised the Committees that furlough of experienced employees while continuing to hire new employees is not supported by the PPL. In a roll call vote of both Committees, the Public Safety Committee (unanimous vote of members present) and B&F Committee (4 yes votes; 1 no vote) voted to cease hiring after the October 2009 Police Academy class, to evaluate attrition on a monthly basis with a re-evaluation of hiring to be done when the number of sworn personnel drops below the 10,000 number. In a subsequent vote, the Committees agreed (one No vote) to stop sworn recruitment efforts by the Personnel Department and the LAPD, inasmuch as there are currently over 1000 individuals in the LAPD application process.

In response to questions from members of the Committees, the LAPD reported that there are currently 65 sworn personnel filling civilian positions, as well as 518 permanent light duty sworn personnel and 634 temporary light duty sworn personnel. Additionally, 16 sworn personnel remain assigned to the Los Angeles International Airport sub-station for which LAPD is not being reimbursed by the Los Angeles World Airports. The Committees unanimously approved a recommendation to meet in mid-January 2010 to assess future LAPD hiring, options to replace sworn personnel currently working in civilian positions, as well as to consider requested report backs by the CAO and LAPD relative to the impacts on the Department of these personnel issues.

In their reconsideration of the Emergency Resolution to include sworn furloughs in the context of continuing negotiations with sworn personnel, which was referred back to the Committees by the Council, the Public Safety Committee voted 3 to 1 in favor of reconfiguring the Emergency Resolution to include information relative to sworn furloughs, with the Resolution to specifically state that it not be implemented without a specific vote of the City Council. The members of the B&F Committee, however, voted 3 to 2 against reconfiguring the Emergency Resolution. The Public

Safety and B&F Committee members that voted against reconfiguring the Emergency Resolution felt that a Yes vote on this issue would send the wrong message, that they supported furloughs when they do not, even though the instruction to the City Attorney relative to the Emergency Resolution is to include a clause that the Resolution not be implemented without a specific vote of the Council.

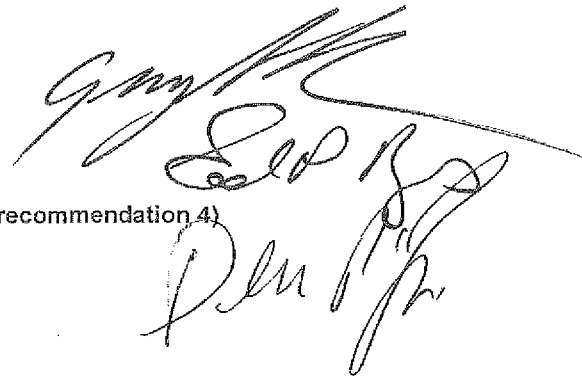
Following a lengthy discussion and roll call votes of both Committees on the various recommendations, the recommendations contained in this Public Safety Committee report reflects the actions taken by the Committee. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

PUBLIC SAFETY COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
SMITH:	YES
CARDENAS:	YES
PERRY:	ABSENT
REYES:	YES
ZINE:	YES (NO vote on recommendation 4)

LB  
09-0600-S142\_rpt\_ps\_10-06-09



OCT 23 2009

Received and Filed

-NOT OFFICIAL UNTIL COUNCIL ACTS-

CITY = LOS ANGELES SPEAKER \RD

Date

10/23

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#10

I wish to speak before the

~~San~~ City Council  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

Name: John WALSH ( ) Against proposal  
( ) General comments

Business or Organization Affiliation:

holly wood highlands . org

Address:

6218 Yucca St.

Street

City

State

Zip

Business phone:

Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

☐

Client Name:

Phone #:

Client Address:

Street

City

State

Zip

Please see reverse of card for important information and submit this entire card to the presiding officer or chairperson.

NOTE: THIS IS A PUBLIC DOCUMENT.

# CITY OF LOS ANGELES

CALIFORNIA



JUNE LAGMAY  
City Clerk

KAREN E. KALFAYAN  
Executive Officer

HOLLY L. WOLCOTT  
Executive Officer

ANTONIO R. VILLARAIGOSA  
MAYOR

Office of the  
CITY CLERK

Council and Public Services  
Room 395, City Hall  
Los Angeles, CA 90012  
General Information - (213) 978-1133  
Fax: (213) 978-1040

KONRAD CARTER  
Acting Chief, Council and Public Services  
Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

September 30, 2009

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council file No.  
09-0600-S142, at its meeting held SEPTEMBER 29, 2009.

City Clerk  
VCW

**Your**

reports as follows:

Recommendations for Council action:

1. RECEIVE and FILE recommendations 1, 2a and 12 of the Budget and Finance Committee Minority Report (Minority Report), attached to the Committee report, relative to the 2009-10 Budget Balancing Operational Plan inasmuch as actions taken by the Council on September 18, 2009 results in no further action being necessary on these recommendations.
2. REFER Minority Report recommendations 2b, 2c, and 2e relative to implementation of a mandatory furlough program to the Executive Employee Relations Committee (EERC) for further review.
3. HOLD Minority Report recommendation 2d in Budget and Finance Committee pending EERC review of recommendations 2b, 2c and 2e above.
4. HOLD Minority Report recommendations 3, 4, 5, 6 and 15 in Committee pending updated operational plans.
5. HOLD Minority Report recommendation 8 relative to implementation of deferred cost of living increases to specific bargaining units in Committee pending ratification of the Agreement with the Coalition of Unions.
6. INSTRUCT the City Administrative Officer (CAO) to convene a working group comprised of the CAO, Chief Legislative Analyst (CLA), Personnel and Controller to monitor the progress and cooperation of the departments implementation of the operational plans and report to the Budget and Finance Committee monthly.
7. INSTRUCT General Managers to work with the Personnel Department and CAO to identify placement opportunities for employees at risk of layoff.
8. INSTRUCT the Personnel Department to work with the City's Employee Assistance Program provider to develop programs to assist employees at risk of layoff.
9. REQUEST the Mayor, as part of the proposed Fiscal Year 2010-11 budget, to eliminate all positions frozen by the CAO and Controller.

10. INSTRUCT the CAO and CLA to report back to the Budget and Finance Committee relative to Police and Fire Sworn Shared Responsibility and Sacrifice (SRS) shortfalls identified in the Joint CAO/CLA report, dated September 11, 2009 (attached to the Council file). The CAO/CLA report should identify options to address the budget shortfalls if the ERIP is approved by the Council.
11. EXCLUDE the following Departments, to the extent possible, from further funding reductions in 2010-11: Recreation and Parks, Library, Convention Center and Housing Departments.
12. INSTRUCT the CAO, with the Bureau of Engineering (BOE), to reevaluate the Joint CAO/CLA report Attachment 2 recommendation #197 relative to closure of the West Los Angeles District BOE Office and reassignment of eight positions to special funded programs, and report back to the Budget and Finance Committee.
13. RELATIVE TO MINORITY REPORT RECOMMENDATION 13:
  - a. INSTRUCT the CAO and CLA to report back to the Budget and Finance Committee in two weeks relative to amending the emergency declaration to include sworn furloughs in the context of continuing negotiations with sworn personnel.
  - b. SUBMITS WITHOUT RECOMMENDATION:

DEFER the October 2009 Los Angeles Police Academy Class until pending negotiations conclude.
14. INSTRUCT the CAO and CLA, and REQUEST the Mayor, consistent with the Council's actions on the Early Retirement Incentive Program (ERIP), to work with the following departments to generate updated operational plans to address the budgetary shortfall: Aging, Animal Services, City Clerk, El Pueblo, Finance, Fire, General Services, Information Technology Agency, Neighborhood Empowerment, Police, Board of Public Works, Bureau of Engineering, and Transportation.

Fiscal Impact Statement: Neither the CAO nor CLA have completed a financial analysis of this report.

Community Impact Statement: None submitted

### SUMMARY

At its meeting of September 21, 2009, the Budget and Finance Committee reconsidered the Budget and Finance Committee's Minority Report and Fiscal Emergency Resolution relative to sworn furloughs and the 2009-10 Budget Balancing Operational Plan. This matter was referred back to Committee following the Council's actions of September 18, 2009 relative to the ERIP. On September 14, 2009, the Committee had considered a joint CAO/CLA report relative to the 2009-10 Budget Balancing Operational Plan. The joint report included a recommendation that the Council find that the ERIP as proposed for the Fiscal Year 2009-10, is not financially viable for the City unless the Coalition of Unions agreed to generate an additional \$50 to \$60 million and increase pension contributions by 1.9 percent. In a Minority Report, two of five Committee members recommended approval of this recommendation and additionally recommended approval of the

CAO/CLA recommendations relative to implementation of a mandatory furlough program effective September 28, 2009. Following continued negotiations with the Coalition, at a Special Council Meeting on September 18, 2009 the CAO and CLA reported that an agreement had been reached with the Coalition, pending ratification, and the first reading of the revised ERIP Ordinance was unanimously passed by the Council.

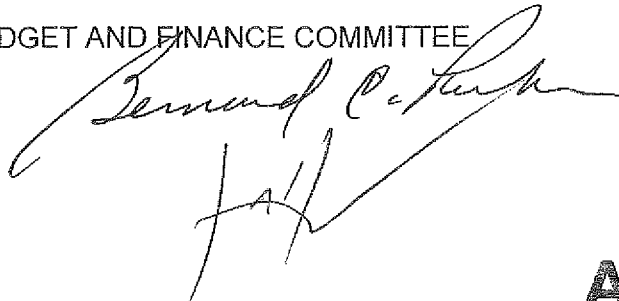
Council's approval of the ERIP Ordinance subsequently impacted recommendations contained in the Budget and Finance Committee's Minority Report. At its meeting on September 21st, the Committee reviewed each of the Minority Report recommendations, resubmitting via this Committee report recommendations which still require Council action, recommending receive and file action on those recommendations which are no longer relevant, and holding in Committee those recommendations which require the CAO and CLA to report back. The Committee recommended that Minority Report recommendations relative to implementation of a mandatory furlough program be referred back to the EERC for further review and held in Committee, pending the EERC review, the recommendation that General Managers implement work schedules and schedule furlough days to minimize disruption to services, etc.

During the Committee's discussion of Minority Recommendation No. 13, the Committee instructed the CAO and CLA to report back to the Budget and Finance Committee in two weeks relative to amending the emergency declaration to include sworn furloughs in the context of continuing negotiations with sworn personnel. As part of this recommendation, Councilmember Parks recommended deferring the October 2009 Police Academy class until pending contract negotiations conclude. Councilmembers Huizar and Rosendahl voted to proceed with the October Academy class, voting to continue police hiring to meet attrition levels. Councilmembers Parks and Smith voted to defer the October Academy class, stating that if upon conclusion of the LAPD contract negotiations the decision is made to continue police hiring, remaining fiscal year 2009-10 Academy classes could be increased to make up for the deferred October class. Inasmuch as the Committee vote on this matter resulted in a tie, this recommendation has been submitted to the Council without recommendation.

The recommendations made by the Budget and Finance Committee relative to reconsideration of the Committee's Minority Report and Fiscal Emergency Resolution relative to sworn furloughs and the 2009-10 Budget Balancing Operational Plan are reflected in this Committee report. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
SMITH:	YES
ROSENDAHL:	YES
HUIZAR:	YES
KORETZ:	ABSENT

LB  
09-0600-S142\_rpt\_bfc\_09-22-09

Attachment

-NOT OFFICIAL UNTIL COUNCIL ACTS-

**ADOPTED**  
\* AS - AMENDED  
SEP 29 2009  
SEE APPROVED REPORT  
LOS ANGELES CITY COUNCIL

Item 12 *A*

MOTION

I *11* MOVE that instruction 12 be amended to add that the CAO, with the Bureau of Engineering, reevaluate the 2009-10 Budget Balancing Operational Plan recommendation #198 relative to suspending renovation work on the CD 14 Neighborhood City Hall Renovations after completion of seismic repairs and reassignment of one position to special funded programs, and report back to the Budget and Finance Committee.

I FURTHER MOVE that instruction 12 be amended to add that the CAO, with the Bureau of Engineering, reevaluate the 2009-10 Budget Balancing Operational Plan recommendation #199 relative to suspending renovation of the three swimming pools – 109th Street, Costello and Lincoln and reassignment of two positions to special funded programs, and report back to the Budget and Finance Committee.

Presented By: *[Signature]*

**JOSE HUIZAR**  
Councilmember, 14<sup>th</sup> District

Seconded By: *[Signature]*

**ORIGINAL**

**ADOPTED**

SEP 29 2009

**LOS ANGELES CITY COUNCIL**

*[Signature]* 9-29-2009

VERBAL MOTION

I HEREBY MOVE that Council INSTRUCT the Los Angeles Police Department to suspend sending any future letters out for new police officer hiring.

PRESENTED BY \_\_\_\_\_  
JANICE HAHN  
Councilmember, 15<sup>th</sup> District

PRESENTED BY \_\_\_\_\_  
DENNIS P. ZINE  
Councilmember, 3<sup>rd</sup> District

September 29, 2009

CF 09-0600-S142a

SEP 29 2009 - REFERRED TO - PUBLIC SAFETY  
- BUDGET & FINANCE

VERBAL MOTION

I HEREBY MOVE that Council REFER Recommendations #13a and #13b of the Budget and Finance Committee report (Item #12, Council file 09-0600-S142) relative to the 2009-10 Budget Balancing Operational Plan to the Public Safety and Budget and Finance Committees for further discussion.

PRESENTED BY \_\_\_\_\_  
BERNARD C. PARKS  
Councilmember, 8<sup>th</sup> District

PRESENTED BY \_\_\_\_\_  
BILL ROSENDAHL  
Councilmember, 11<sup>th</sup> District

September 29, 2009

CF 09-0600-S142

SEP 29 2009

REFERRED TO

— PUBLIC SAFETY

— BUDGET & FINANCE

COUNCIL VOTE

Sep 29, 2009 11:56:47 AM, #11

ITEM NO. (12)

Voting on Item(s) : 12,37

Roll Call

ALARCON	Absent
CARDENAS	Yes
HAHN	Yes
HUIZAR	Yes
KORETZ	Yes
LABONGE	Yes
PARKS	Yes
*PERRY	Yes
REYES	Yes
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
ZINE	Yes
GARCETTI	Yes

Present: 13, Yes: 13 No: 0

## CITY OF LOS ANGELES SPEAKER CARD

Van Nuys

Date/Time Submitted

09/29/2009 10:32 AM

Council File No., Agenda Item, or Case No.

12

I wish to speak before the

Council

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda?

- ( ) For proposal  
( ) Against proposal  
( ) General comments

Name: Sean Murphy

Business or Organization Affiliation:

Address:

Street

City

State

Zip

Business phone:

Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

☐

Client Name:

Phone No.:

Client Address:

Street

City

State

Zip

## CITY OF LOS ANGELES SPEAKER CARD

Date

9-29-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

# 12

I wish to speak before the

LA City Council

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda?

- ( ) For proposal  
( ) Against proposal  
( ) General comments

Name:

Mina Lopez

Business or Organization Affiliation:

SOLTA

Address:

Street

City

State

Zip

Business phone:

Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

☐

Client Name:

Phone #:

Client Address:

Street

City

State

Zip

Please see reverse of card for important information and submit this entire card to the presiding officer or chairperson.

NOTE: THIS IS A PUBLIC DOCUMENT.

## CITY OF LOS ANGELES SPEAKER CARD

Date

9-29-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#12

I wish to speak before the

City Council  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
(x) General comments

Name:

MONICA HARRISON

Business or Organization Affiliation:

SOW

Address:

1151 Spence  
StreetLA  
CityCA  
State90032  
Zip

Business phone:

310-770-3760

Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

☐

Client Name:

Phone #:

Client Address:

Street

City

State

Zip

Please see reverse of card for important information and submit this entire card to the presiding officer or chairperson.

NOTE: THIS IS A PUBLIC DOCUMENT.

CITY OF LOS ANGELES SPEAKER CARD

Van Nuys

Date/Time Submitted

09/29/2009 09:30 AM

Council File No., Agenda Item, or Case No.

12

I wish to speak before the

Council

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
( ) General comments

Name:

Donna Pearman

Business or Organization Affiliation:

Address:

Street

City

State

Zip

Business phone:

Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

☐

Client Name:

Phone No.:

Client Address:

Street

City

State

Zip

## CITY OF LOS ANGELES SPEAKER CARD

Van Nuys

Date/Time Submitted

09/29/2009 10:36 AM

Council File No., Agenda Item, or Case No.

12

I wish to speak before the Council

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
 Name: rick nightengale ( ) Against proposal  
 ( ) General comments

Business or Organization Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_  
 Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

☐

Client Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_

Client Address: \_\_\_\_\_  
 Street City State Zip

## CITY OF LOS ANGELES SPEAKER CARD

Date

9-29

THE CITY COUNCIL'S RULES OF DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

12

I wish to speak before the \_\_\_\_\_  
 Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
 Name: Michael Hunt ( ) Against proposal  
 ( ) General comments

Business or Organization Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_  
 Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
 Street City State Zip

Please see reverse of card for important information and submit this entire card to the presiding officer or chairperson.

NOTE: THIS IS A PUBLIC DOCUMENT.

Please fill this form out before you leave. It will be picked up from this table after the discussion. Thank you, Staff

## SPEAKER LIST

DATE: 9-29-09

ITEM #: 37, 12

[illegible]

TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your **BUDGET AND FINANCE Committee**

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT MINORITY REPORT relative to the 2009-10 Budget Balancing Operational Plan.

Recommendations for Council action:

1. FIND that the Early Retirement Incentive Program (ERIP) as proposed for the Fiscal Year 2009-10 Budget, is not financially viable for the City of Los Angeles unless the Coalition agrees to generate an additional \$50 million to \$60 million and increase pension contribution by 1.9 percent; INSTRUCT the CLA to cull out the pertinent comments from the Joint CAO/CLA report that support the Minority Report.
2. AUTHORIZE the implementation of a mandatory furlough program effective September 28, 2009 as follows:
  - a. Close all City departments on the 2nd and 4th Friday of each month, where operationally feasible; and, assess the impact on City Council meetings and consider whether to hold Council meetings on Tuesdays, Wednesdays and Thursdays or cancel Council meetings on the 2nd and 4th Friday of each month.
  - b. Authorize a minimum of 26 furlough days between September 27, 2009 and June 30, 2010 for all non-Engineers and Architects Association (EAA) employees that received a cost of living increase in Fiscal Year 09-10.
  - c. Authorize a minimum of 18 furlough days between September 27, 2009 and June 30, 2010 for all employees that did not receive a cost of living adjustment in Fiscal Year 09-10.
  - d. Instruct General Managers to implement work schedules and schedule the furlough days so that it will minimize disruption to services, not impact employee benefits, and not violate the provisions of Fair Labor Standards.
  - e. Instruct the City Administrative Officer (CAO) to negotiate the impact of the furlough program with the impacted civilian unions as soon as practicable.
3. APPROVE the service level and reduction of 926 employees as identified in the joint CAO/Chief Legislative Analyst (CLA) Report Attachment 2 (attached to this Committee report).
4. INSTRUCT the Personnel Department to calculate all necessary layoffs through September 26, 2009.

5. INSTRUCT the General Managers to identify the number and classification of employees within the same service category or program required to be laid off to achieve the operational plan savings, and submit the list to the Personnel Department within 48 hours of the adoption of this report.
6. AUTHORIZE the CAO and Controller to freeze in PAYSR, all positions identified for layoff by the General Managers.
7. REQUEST the Mayor, as part of the proposed Fiscal Year 2010-11 budget to eliminate all positions frozen by the CAO and Controller.
8. INSTRUCT the Controller to implement the deferred cost of living increases for the following bargaining units: MOU's 02, 03, 04, 05, 06, 07, 09, 10, 11, 12, 13, 14, 15, 16, 18, 29, 32, 34, 36, 37 retroactive to July 1, 2009.
9. INSTRUCT the CAO to convene a working group comprised of the CAO, CLA, Personnel and Controller to monitor the progress and cooperation of the departments implementation of the operational plans and report to the Budget and Finance Committee monthly.
10. INSTRUCT General Managers to work with the Personnel Department and CAO to identify placement opportunities for employees at risk of layoff.
11. INSTRUCT the Personnel Department to work with the City's Employee Assistance Program provider to develop programs to assist employees at risk of layoff.
12. INSTRUCT the CAO to develop a cash based separation incentive program that is targeted to the classifications at risk of layoff and report back to the Budget and Finance Committee.
13. INSTRUCT the City Attorney to amend the emergency declaration to delineate the City's worsening fiscal condition and to provide for the furlough of sworn personnel.
14. INSTRUCT the CAO and CLA to report back to the Budget and Finance Committee relative to Police and Fire sworn Shared Responsibility and Sacrifice (SRS) shortfalls identified in the Joint CAO/CLA report. The CAO/CLA report should identify options to address the budget shortfalls if the ERIP is approved by the Council.
15. INSTRUCT all Departments to submit to the CAO their operational plans that include hours of operation, service level changes, and any other pertinent information upon Council adoption of the 2009-10 Budget Balancing Operational Plan.
16. INSTRUCT the CAO and CLA to work with the following departments to evaluate alternative budget reduction proposals, provided that the same budgetary savings are achieved to the extent possible: Animal Services, City Clerk, El Pueblo, Finance, Fire, General Services, Information Technology Agency, Neighborhood Empowerment, Police, Board of Public Works, Bureau of Engineering, and Transportation.
17. EXCLUDE the following Departments, to the extent possible, from further funding reductions in 2010-11: Recreation and Parks, Library, Convention Center and Housing Departments.

18. INSTRUCT the CAO to reevaluate CAO/CLA Attachment 2 recommendation #197 relative to closure of the West Los Angeles District Office of the Bureau of Engineering and reassignment of eight positions to special funded programs, and report back to the Budget and Finance Committee.

Fiscal Impact Statement: The CAO/CLA report that adoption of the above recommendations will reduce the potential budgetary gap of \$405 million.

Community Impact Statement: None submitted

### SUMMARY

At its meeting of September 14, 2009, the Budget and Finance Committee considered a joint CAO/CLA report relative to the 2009-10 Budget Balancing Operational Plan. The CAO and CLA were instructed by the Budget and Finance Committee to prepare a citywide operational plan to begin addressing the City's anticipated budget shortfall, and to report on labor negotiations and any other actions necessary to balance the 2009-10 Budget. The report provides an overview of the City's current financial status; an analysis of how proposed actions being considered by the Mayor and Council would address the City's current financial status; and, contains recommended actions to begin addressing the anticipated gap in the City's 2009-10 Budget.

During the Committee discussion, the Mayor's Budget Director reported that based on current information and the information contained in the Joint CAO/CLA report dated September 11, 2009, the Mayor can no longer support the proposed ERIP or the agreement with the Coalition of Unions. The Joint CAO/CLA report identifies the following changes in ERIP costs/benefits:

- Payroll savings - since delays in implementing ERIP have occurred, it is anticipated that only an average of four months savings will be achieved during the current fiscal year. According to the ERIP Savings Analysis chart, at four months of payroll savings, ERIP is anticipated to save approximately \$23 million across all funds, a difference of \$88 million less than the \$111 million originally anticipated.
- Budgetary Shortfall Solutions - the City Attorney has recently opined that the City Charter prohibits Management from permanently transferring employees between different appointing authorities without their prior consent. Therefore, ERIP savings from special and proprietary department funds will not translate to General Fund savings as previously assumed. The CAO/CLA now estimates that only 53% of ERIP savings, or \$12 million of the \$23 million above, could be counted towards addressing the General Fund problem. This is a difference of \$73 million less than the \$85 million originally anticipated.
- Cost Neutral - a comparison of the completed actuarial study, dated July 30, 2009, and present value analysis of the employee payback indicates that the increase in employees' contribution rate will not be sufficient to offset added costs related to ERIP. The employee payback of the increased employee contribution rate of 0.75% and elimination of the City's subsidy for the Defrayal Group does not cover the entire Unfunded Actuarial Accrued Liability (UAAL) increase in cost.
- Legal Challenges - legal challenges to the increase in employee pension contributions are

expected. The City Attorney should brief the Council in Closed Session on the basis for and validity of these challenges.

Councilmember Smith stressed the need for the Council to take action on the ERIP on September 15th inasmuch as there currently is a \$50 - 60 million shortfall in the civilian SRS; the CAO reports that the City is overspending at a rate of \$11 million per payperiod or \$1 million per day. The CAO and CLA stressed during the Committee discussion that approval of ERIP and the agreement with the Coalition of Unions would severely limit the Council's ability to address remaining budget shortfalls inasmuch as 22,000 Coalition members would not be subject to either furloughs or layoffs; therefore the remaining personnel option to address shortfalls would be shared among sworn personnel and remaining non-Coalition members.

Following a lengthy discussion including public comment, the Committee voted 3-2 to submit the recommendations of the CAO/CLA without recommendation. Councilmembers Huizar, Koretz and Rosendahl, in a Majority Report, recommended that the CAO continue negotiations with the Coalition of Unions through the evening to address impediments discussed in the joint CAO/CLA report. The CAO was further instructed to report to Council on September 15, 2009 on the outcome of these discussions so that the Council may consider these discussions in order to take action on ERIP.

Councilmembers Parks and Smith, in a Minority Report, recommended that the Council make a finding that the ERIP as proposed for the Fiscal Year 2009-10 Budget, is not financially viable for the City of Los Angeles unless the Coalition agrees to generate an additional \$50 million to \$60 million and increase pension contribution by 1.9 percent. Councilmembers Parks and Smith further recommended approval of the remainder of the CAO/CLA recommendations relative to implementation of a mandatory furlough program effective September 28, 2009. Additional recommendations made as part of the Minority Report are reflected in this Committee report. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
SMITH:	YES

LB  
09-0600-S142.a\_rpt\_bfc\_09-14-09

## CITY OF LOS ANGELES SPEAKER CARD

Date

09/14/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#1

I wish to speak before the

Budget &amp; Finance Committee

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

( ) General comments

Name: Julie Butcher

Business or Organization Affiliation: SEM 721/coalition of City Unions

Address:

Street

City

State

Zip

Business phone:

Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

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Client Name:

Phone #:

Client Address:

Street

City

State

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## CITY OF LOS ANGELES SPEAKER CARD

Date

9/14/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

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I wish to speak before the

VAN NUYS

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

( ) General comments

Name: ZUMA Dogs

Business or Organization Affiliation:

Address:

Street

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Business phone:

Representing:

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## CITY OF LOS ANGELES SPEAKER CARD

Date

9/14/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

1

I wish to speak before the

Name of City Agency, Department, Committee or Council

Ward 11

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

( ) General comments

Name: MATT DOWD

Business or Organization Affiliation:

Address:

Street

City

State

Zip

Business phone:

Representing:

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## CITY OF LOS ANGELES SPEAKER CARD

Date

09/15/09

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DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#1

I wish to speak before the

Name of City Agency, Department, Committee or Council

Budget and Finance

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

( ) General comments

Name: Victor M. Gordo

Business or Organization Affiliation:

Coalition of City Unions/CIUNA Local 777

Address:

Street

City

State

Zip

Business phone:

Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

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Date

09/15/09

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Council File No., Agenda Item, or Case No.

#1

I wish to speak before the

Budget &amp; Finance Committee

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

Name: Cheryl Parisi ( ) Against proposal

( ) General comments

Business or Organization Affiliation:

AFSCME 36/Coalition of City Unions

Address:

Street

City

State

Zip

Business phone:

Representing:

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## CITY OF LOS ANGELES SPEAKER CARD

Date

9-18-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

SRIP #1

I wish to speak before the

BUDGET &amp; FINANCE COMMITTEE

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

Name: SANDY CANISTER ( ) Against proposal

(X) General comments

Business or Organization Affiliation:

LOCAL 721

Address:

Street

City

State

Zip

Business phone:

Representing:

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Phone #:

Client Address:

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City

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Date 09-14-09

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Council File No., Agenda Item, or Case No.

ERIP #1

I wish to speak before the Budget and Finance Committee  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
Name: Simba Wright ☒ General comments

Business or Organization Affiliation: SEIU 721

Address: \_\_\_\_\_  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

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# CITY OF LOS ANGELES SPEAKER CARD

Date 09/14/09

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DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

ERIP #1

I wish to speak before the Council  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
Name: JAMES ROSS ☒ General comments

Business or Organization Affiliation: SEIU 721

Address: \_\_\_\_\_  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

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# CITY OF LOS ANGELES SPEAKER CARD

Date 9/14/09

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Council File No., Agenda Item, or Case No.

I wish to speak before the \_\_\_\_\_  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
( ) General comments

Name: \_\_\_\_\_

Business or Organization Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

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# CITY OF LOS ANGELES SPEAKER CARD

Date 9-14-09

THE CITY COUNCIL'S RULES OF DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

ITEM # 1

I wish to speak before the BUDGET COMMITTEES  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
(X) General comments

Name: PETER REPOVICH

Business or Organization Affiliation: LAPPL

Address: 1308 W. 8TH ST LA 90017  
Street City State Zip

Business phone: 213-792-1086 Representing: \_\_\_\_\_

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
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Date

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

I wish to speak before the

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

( ) General comments

Name: \_\_\_\_\_

Business or Organization Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

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# CITY OF LOS ANGELES SPEAKER CARD

Date

9/14/2009

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

1

I wish to speak before the

Budget & Finance

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ☒ For proposal

( ) Against proposal

( ) General comments

Name: Rick Bocch

Business or Organization Affiliation: MCIA

Address: 205 S Broadway LA CA 90012  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

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Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
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# CITY OF LOS ANGELES SPEAKER CARD

Date

9/14/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

General Comment #1

I wish to speak before the

Budget and Finance Committee

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

(X) General comments

Name:

Alan Peshek

Business or Organization Affiliation:

City Employee

Address:

555 Ramirez St Sp 275 Los Angeles

CA

90012

Street

City

State

Zip

Business phone:

Representing:

SEIU 721

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

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Client Name:

Phone #:

Client Address:

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City

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# CITY OF LOS ANGELES SPEAKER CARD

Date

9.14.09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

1

I wish to speak before the

Budget finance Committee

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

(X) Against proposal

( ) General comments

Name:

Carrie Sutkin

Business or Organization Affiliation:

People for Parks

Address:

4357 Cedarhurst Cir. LA

CA

90027

Street

City

State

Zip

Business phone:

Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

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Client Name:

Phone #:

Client Address:

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# CITY OF LOS ANGELES SPEAKER CARD

Date Sept 14

THE CITY COUNCIL'S RULES OF DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No. General 14/1

I wish to speak before the Budget & Finance  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
( ) Against proposal  
( ) General comments

Name: Ida TALALLA

Business or Organization Affiliation: Echo Park TAP (Trash Abatement Project)

Address: 10307 24th LA CA 90026  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
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# CITY OF LOS ANGELES SPEAKER CARD

Date 9-14-09

THE CITY COUNCIL'S RULES OF DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No. 1

I wish to speak before the Budget and Finance Committee  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal  
(x) Against proposal  
( ) General comments

Name: Connie Elliot

Business or Organization Affiliation: Studio City Residents Assoc.

Address: \_\_\_\_\_  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

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## CITY OF LOS ANGELES SPEAKER CARD

Date

9/14/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

ITEM 1 CFO9-0600-514

I wish to speak before the

B + F Cmte

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

Name: JIM McQUISTON ☒ General comments

Business or Organization Affiliation:

Address: 6212 YUCCA ST LA CA 90028-5223  
Street City State Zip

Business phone: 323-464-6792 Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW:

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## CITY OF LOS ANGELES SPEAKER CARD

Date

9-14-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

09-0600-5142 #1

I wish to speak before the

BUDGET &amp; FINANCE

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

( ) Against proposal

Name: MONICA HARMON ☒ General comments

Business or Organization Affiliation: INF

Address: 1151 SPURCE LA CA 90033  
Street City State Zip

Business phone: 310-770-3760 Representing:

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Date 9-14-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

(1)

I wish to speak before the \_\_\_\_\_

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

Name: Michael Hurva ( ) Against proposal  
(x) General comments

Business or Organization Affiliation: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip

Business phone: \_\_\_\_\_ Representing: \_\_\_\_\_

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name: \_\_\_\_\_ Phone #: \_\_\_\_\_

Client Address: \_\_\_\_\_  
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# CITY OF LOS ANGELES SPEAKER CARD

Date 9-21-09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

REGULAR AGENDA #7  
SPECIAL #13

I wish to speak before the \_\_\_\_\_

BUDGET COMMITTEES  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

Name: PETER REPOVICH ( ) Against proposal  
( ) General comments

Business or Organization Affiliation: LAPPL

Address: 1308 W. 8TH ST LA  
Street City State Zip

Business phone: 213-792-1086 Representing: LAPPL

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## CITY OF LOS ANGELES SPEAKER CARD

Date

9/21/2008

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#13

I wish to speak before the

BUDGET &amp; FINANCE

Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

Name: MARY BENSON ( ) Against proposal  
X) General comments

Business or Organization Affiliation: CANDIDATE FOR CD#2

Address: 11070 Sheldon Street Sun Valley, CA 91352  
Street City State Zip

Business phone: Representing:

CHECK HERE IF YOU ARE A PAID SPEAKER AND PROVIDE CLIENT INFORMATION BELOW: ☐

Client Name: Phone #:

Client Address: Street City State Zip

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## CITY OF LOS ANGELES SPEAKER CARD

Date

9/21/09

THE CITY COUNCIL'S RULES OF  
DECORUM WILL BE ENFORCED.

Council File No., Agenda Item, or Case No.

#23

I wish to speak before the

Budget & Finance  
Name of City Agency, Department, Committee or Council

Do you wish to provide general public comment, or to speak for or against a proposal on the agenda? ( ) For proposal

Name: Anna Kyal ( ) Against proposal  
( ) General comments

Business or Organization Affiliation: Simsbury Lyngga NO Fee Fee

Address: Street City State Zip

Business phone: Representing:

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Client Name: Phone #:

Client Address: Street City State Zip

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**VERBAL MOTION**

I HEREBY MOVE that Council ADOPT the following recommendations in connection with Budget and Finance Committee Minority report (Item No. 3, CF 09-0600-S142) relative to the 2009-10 Budget Balancing Operational Plan and ORDINANCE FIRST CONSIDERATION (Item No. 4, CF 09-1320) relative to amending Chapter 10 of Division 4 of the Los Angeles Administrative Code to allow certain City employees to retire with enhanced benefits:

1. **SUBSTITUTE** the proposal as presented by the City Administrative Officer and Chief Legislative Analyst for Recommendation No. 1 in the Budget and Finance Committee Minority Report. (Council file No. 09-0600-S142)
2. **REFER** the Budget and Finance Committee Minority Report back to the Budget and Finance Committee for further consideration. (Council file No. 09-0600-S142)
3. **PRESENT** the Substitute Ordinance dated September 18, 2009 for the Ordinance attached to the Council file (Council file No. 09-1320).  
[Pursuant to Charter Section 1618(b), final adoption cannot occur until at least 30 days after its presentation to the Council]

PRESENTED BY \_\_\_\_\_

ERIC GARCETTI  
Councilmember, 13th District

SECONDED BY \_\_\_\_\_

DENNIS P. ZINE  
Councilmember, 3rd District

*Motion*  
**ADOPTED**

September 18, 2009

CF 09-0600-S142  
CF 09-1320

SEP 18 2009

**LOS ANGELES CITY COUNCIL**

SEP 18 2009 -

ORDINANCE OVER TO Oct 20, 2009

TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your **BUDGET AND FINANCE Committee**

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT MINORITY REPORT relative to the 2009-10 Budget Balancing Operational Plan.

Recommendations for Council action:

1. FIND that the Early Retirement Incentive Program (ERIP) as proposed for the Fiscal Year 2009-10 Budget, is not financially viable for the City of Los Angeles unless the Coalition agrees to generate an additional \$50 million to \$60 million and increase pension contribution by 1.9 percent; INSTRUCT the CLA to cull out the pertinent comments from the Joint CAO/CLA report that support the Minority Report.
2. AUTHORIZE the implementation of a mandatory furlough program effective September 28, 2009 as follows:
  - a. Close all City departments on the 2nd and 4th Friday of each month, where operationally feasible; and, assess the impact on City Council meetings and consider whether to hold Council meetings on Tuesdays, Wednesdays and Thursdays or cancel Council meetings on the 2nd and 4th Friday of each month.
  - b. Authorize a minimum of 26 furlough days between September 27, 2009 and June 30, 2010 for all non-Engineers and Architects Association (EAA) employees that received a cost of living increase in Fiscal Year 09-10.
  - c. Authorize a minimum of 18 furlough days between September 27, 2009 and June 30, 2010 for all employees that did not receive a cost of living adjustment in Fiscal Year 09-10.
  - d. Instruct General Managers to implement work schedules and schedule the furlough days so that it will minimize disruption to services, not impact employee benefits, and not violate the provisions of Fair Labor Standards.
  - e. Instruct the City Administrative Officer (CAO) to negotiate the impact of the furlough program with the impacted civilian unions as soon as practicable.
3. APPROVE the service level and reduction of 926 employees as identified in the joint CAO/Chief Legislative Analyst (CLA) Report Attachment 2 (attached to this Committee report).
4. INSTRUCT the Personnel Department to calculate all necessary layoffs through September 26, 2009.

5. INSTRUCT the General Managers to identify the number and classification of employees within the same service category or program required to be laid off to achieve the operational plan savings, and submit the list to the Personnel Department within 48 hours of the adoption of this report.
6. AUTHORIZE the CAO and Controller to freeze in PAYSR, all positions identified for layoff by the General Managers.
7. REQUEST the Mayor, as part of the proposed Fiscal Year 2010-11 budget to eliminate all positions frozen by the CAO and Controller.
8. INSTRUCT the Controller to implement the deferred cost of living increases for the following bargaining units: MOU's 02, 03, 04, 05, 06, 07, 09, 10, 11, 12, 13, 14, 15, 16, 18, 29, 32, 34, 36, 37 retroactive to July 1, 2009.
9. INSTRUCT the CAO to convene a working group comprised of the CAO, CLA, Personnel and Controller to monitor the progress and cooperation of the departments implementation of the operational plans and report to the Budget and Finance Committee monthly.
10. INSTRUCT General Managers to work with the Personnel Department and CAO to identify placement opportunities for employees at risk of layoff.
11. INSTRUCT the Personnel Department to work with the City's Employee Assistance Program provider to develop programs to assist employees at risk of layoff.
12. INSTRUCT the CAO to develop a cash based separation incentive program that is targeted to the classifications at risk of layoff and report back to the Budget and Finance Committee.
13. INSTRUCT the City Attorney to amend the emergency declaration to delineate the City's worsening fiscal condition and to provide for the furlough of sworn personnel.
14. INSTRUCT the CAO and CLA to report back to the Budget and Finance Committee relative to Police and Fire sworn Shared Responsibility and Sacrifice (SRS) shortfalls identified in the Joint CAO/CLA report. The CAO/CLA report should identify options to address the budget shortfalls if the ERIP is approved by the Council.
15. INSTRUCT all Departments to submit to the CAO their operational plans that include hours of operation, service level changes, and any other pertinent information upon Council adoption of the 2009-10 Budget Balancing Operational Plan.
16. INSTRUCT the CAO and CLA to work with the following departments to evaluate alternative budget reduction proposals, provided that the same budgetary savings are achieved to the extent possible: Animal Services, City Clerk, El Pueblo, Finance, Fire, General Services, Information Technology Agency, Neighborhood Empowerment, Police, Board of Public Works, Bureau of Engineering, and Transportation.
17. EXCLUDE the following Departments, to the extent possible, from further funding reductions in 2010-11: Recreation and Parks, Library, Convention Center and Housing Departments.

18. INSTRUCT the CAO to reevaluate CAO/CLA Attachment 2 recommendation #197 relative to closure of the West Los Angeles District Office of the Bureau of Engineering and reassignment of eight positions to special funded programs, and report back to the Budget and Finance Committee.

Fiscal Impact Statement: The CAO/CLA report that adoption of the above recommendations will reduce the potential budgetary gap of \$405 million.

Community Impact Statement: None submitted

### SUMMARY

At its meeting of September 14, 2009, the Budget and Finance Committee considered a joint CAO/CLA report relative to the 2009-10 Budget Balancing Operational Plan. The CAO and CLA were instructed by the Budget and Finance Committee to prepare a citywide operational plan to begin addressing the City's anticipated budget shortfall, and to report on labor negotiations and any other actions necessary to balance the 2009-10 Budget. The report provides an overview of the City's current financial status; an analysis of how proposed actions being considered by the Mayor and Council would address the City's current financial status; and, contains recommended actions to begin addressing the anticipated gap in the City's 2009-10 Budget.

During the Committee discussion, the Mayor's Budget Director reported that based on current information and the information contained in the Joint CAO/CLA report dated September 11, 2009, the Mayor can no longer support the proposed ERIP or the agreement with the Coalition of Unions. The Joint CAO/CLA report identifies the following changes in ERIP costs/benefits:

- Payroll savings - since delays in implementing ERIP have occurred, it is anticipated that only an average of four months savings will be achieved during the current fiscal year. According to the ERIP Savings Analysis chart, at four months of payroll savings, ERIP is anticipated to save approximately \$23 million across all funds, a difference of \$88 million less than the \$111 million originally anticipated.
- Budgetary Shortfall Solutions - the City Attorney has recently opined that the City Charter prohibits Management from permanently transferring employees between different appointing authorities without their prior consent. Therefore, ERIP savings from special and proprietary department funds will not translate to General Fund savings as previously assumed. The CAO/CLA now estimates that only 53% of ERIP savings, or \$12 million of the \$23 million above, could be counted towards addressing the General Fund problem. This is a difference of \$73 million less than the \$85 million originally anticipated.
- Cost Neutral - a comparison of the completed actuarial study, dated July 30, 2009, and present value analysis of the employee payback indicates that the increase in employees' contribution rate will not be sufficient to offset added costs related to ERIP. The employee payback of the increased employee contribution rate of 0.75% and elimination of the City's subsidy for the Defrayal Group does not cover the entire Unfunded Actuarial Accrued Liability (UAAL) increase in cost.
- Legal Challenges - legal challenges to the increase in employee pension contributions are

expected. The City Attorney should brief the Council in Closed Session on the basis for and validity of these challenges.

Councilmember Smith stressed the need for the Council to take action on the ERIP on September 15th inasmuch as there currently is a \$50 - 60 million shortfall in the civilian SRS; the CAO reports that the City is overspending at a rate of \$11 million per payperiod or \$1 million per day. The CAO and CLA stressed during the Committee discussion that approval of ERIP and the agreement with the Coalition of Unions would severely limit the Council's ability to address remaining budget shortfalls inasmuch as 22,000 Coalition members would not be subject to either furloughs or layoffs; therefore the remaining personnel option to address shortfalls would be shared among sworn personnel and remaining non-Coalition members.

Following a lengthy discussion including public comment, the Committee voted 3-2 to submit the recommendations of the CAO/CLA without recommendation. Councilmembers Huizar, Koretz and Rosendahl, in a Majority Report, recommended that the CAO continue negotiations with the Coalition of Unions through the evening to address impediments discussed in the joint CAO/CLA report. The CAO was further instructed to report to Council on September 15, 2009 on the outcome of these discussions so that the Council may consider these discussions in order to take action on ERIP.

Councilmembers Parks and Smith, in a Minority Report, recommended that the Council make a finding that the ERIP as proposed for the Fiscal Year 2009-10 Budget, is not financially viable for the City of Los Angeles unless the Coalition agrees to generate an additional \$50 million to \$60 million and increase pension contribution by 1.9 percent. Councilmembers Parks and Smith further recommended approval of the remainder of the CAO/CLA recommendations relative to implementation of a mandatory furlough program effective September 28, 2009. Additional recommendations made as part of the Minority Report are reflected in this Committee report. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

MEMBER	VOTE
PARKS:	YES
SMITH:	YES

LB  
09-0600-S142\_rpt\_bfc\_09-14-09

**ADOPTED**

\* AS AMENDED  
SEP 16 2009

SEE ATTACHED MOTION  
LOS ANGELES CITY COUNCIL

SEP 18 2009 - Reconsidered and  
Referred to Budget and Finance Committee

**VERBAL MOTION**

I HEREBY MOVE that Council AMEND the Budget and Finance Committee Minority Report as follows:

1. CO-REFER Recommendation #1 to the Executive Employee Relations Committee for further discussion, analysis and formal negotiating instructions.
2. REQUIRE that any furloughs or layoffs, before being implemented, come back to the City Council for final approval prior to September 27, 2009.

PRESENTED BY \_\_\_\_\_

ERIC GARCETTI  
Councilmember, 13<sup>th</sup> District

PRESENTED BY \_\_\_\_\_

BILL ROSENDAHL  
Councilmember, 11<sup>th</sup> District

September 16, 2009

CF 09-0600-S142

**ADOPTED**

SEP 16 2009

**LOS ANGELES CITY COUNCIL**

SEP 18 2009 - Reconsidered and Referred to  
Budget and Finance Committee

COUNCIL VOTE

Sep 18, 2009 1:24:32 PM, #2

ITEM NO. (3)

Voting on Item(s): 3,4,5

Roll Call

ALARCON	Yes
CARDENAS	Absent
HAHN	Yes
HUIZAR	Yes
KORETZ	Yes
LABONGE	Absent
PARKS	Yes
PERRY	Yes
REYES	Yes
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
ZINE	Yes
*GARCETTI	Yes
Present: 12, Yes: 12 No: 0	

COUNCIL VOTE

Sep 18, 2009 11:50:25 AM, #1

ITEM NO. (3)  
Reconsideration

ALARCON	Yes
CARDENAS	Absent
HAHN	Yes
HUIZAR	Yes
KORETZ	Yes
LABONGE	Absent
PARKS	Yes
PERRY	Yes
REYES	Yes
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
ZINE	Yes
*GARCETTI	Yes
Present: 12, Yes: 12 No: 0	

TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your **BUDGET AND FINANCE Committee**

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT MAJORITY REPORT relative to the 2009-10 Budget Balancing Operational Plan.

Recommendations for Council action:

1. INSTRUCT the CAO to continue negotiations with the Coalition of Unions through the evening to address impediments discussed in the joint CAO/CLA report; and, instruct CAO to report to Council on September 15, 2009 on the outcome of these discussions so that the Council may consider these discussions in order to take action on ERIP.
2. INSTRUCT the CAO to reevaluate CAO/CLA Attachment 2 recommendation #197 relative to closure of the West Los Angeles District Office of the Bureau of Engineering and reassignment of eight positions to special funded programs, and report back to the Budget and Finance Committee.

SUBMITS WITHOUT RECOMMENDATION the following recommendations of the CAO and CLA:

3. FIND that the Early Retirement Incentive Program (ERIP) as proposed for the Fiscal Year 2009-10 Budget, is not financially viable for the City of Los Angeles unless the Coalition agrees to generate an additional \$50 million to \$60 million and increase pension contribution by 1.9 percent.
4. AUTHORIZE the implementation of a mandatory furlough program effective September 28, 2009 as follows:
  - a. Close all City departments on the 2nd and 4th Friday of each month, where operationally feasible.
  - b. Authorize a minimum of 26 furlough days between September 27, 2009 and June 30, 2010 for all non-Engineers and Architects Association (EAA) employees that received a cost of living increase in Fiscal Year 09-10.
  - c. Authorize a minimum of 18 furlough days between September 27, 2009 and June 30, 2010 for all employees that did not receive a cost of living adjustment in Fiscal Year 09-10.
  - d. Instruct General Managers to implement work schedules and schedule the furlough days so that it will minimize disruption to services, not impact employee benefits, and not violate the provisions of Fair Labor Standards.

- e. Instruct the City Administrative Officer (CAO) to negotiate the impact of the furlough program with the impacted civilian unions as soon as practicable.
5. APPROVE the service level and reduction of 926 employees as identified in the joint CAO/Chief Legislative Analyst (CLA) Report Attachment 2 (attached to this Committee report).
6. INSTRUCT the Personnel Department to calculate all necessary layoffs through September 26, 2009.
7. INSTRUCT the General Managers to identify the number and classification of employees within the same service category or program required to be laid off to achieve the operational plan savings, and submit the list to the Personnel Department within 48 hours of the adoption of this report.
8. AUTHORIZE the CAO and Controller to freeze in PAYSR, all positions identified for layoff by the General Managers.
9. REQUEST the Mayor, as part of the proposed Fiscal Year 2010-11 budget to eliminate all positions frozen by the CAO and Controller.
10. INSTRUCT the Controller to implement the deferred cost of living increases for the following bargaining units: MOU's 02, 03, 04, 05, 06, 07, 09, 10, 11, 12, 13, 14, 15, 16, 18, 29, 32, 34, 36, 37 retroactive to July 1, 2009.
11. INSTRUCT the CAO to convene a working group comprised of the CAO, CLA, Personnel and Controller to monitor the progress and cooperation of the departments implementation of the operational plans and report to the Budget and Finance Committee monthly.
12. INSTRUCT General Managers to work with the Personnel Department and CAO to identify placement opportunities for employees at risk of layoff.
13. INSTRUCT the Personnel Department to work with the City's Employee Assistance Program provider to develop programs to assist employees at risk of layoff.
14. INSTRUCT the CAO to develop a cash based separation incentive program that is targeted to the classifications at risk of layoff.
15. INSTRUCT the City Attorney to amend the emergency declaration to delineate the City's worsening fiscal condition and to provide for the furlough of sworn personnel.
16. IF THE CITY APPROVES THE ERIIP ORDINANCE:
  - a. INSTRUCT the CAO to report back in 30 days with a detailed implementation plan that resolves the remaining deficit of \$293 million through the implementation of furloughs and layoffs of non-Coalition/Sworn employees and other necessary means.

Fiscal Impact Statement: The CAO/CLA report that adoption of the above recommendations will reduce the potential budgetary gap of \$405 million.

Community Impact Statement: None submitted

## SUMMARY

At its meeting of September 14, 2009, the Budget and Finance Committee considered a joint CAO/CLA report relative to the 2009-10 Budget Balancing Operational Plan. The CAO and CLA were instructed by the Budget and Finance Committee to prepare a citywide operational plan to begin addressing the City's anticipated budget shortfall, and to report on labor negotiations and any other actions necessary to balance the 2009-10 Budget. The report provides an overview of the City's current financial status; an analysis of how proposed actions being considered by the Mayor and Council would address the City's current financial status; and, contains recommended actions to begin addressing the anticipated gap in the City's 2009-10 Budget.

During the Committee discussion, the Mayor's Budget Director reported that based on current information and the information contained in the Joint CAO/CLA report dated September 11, 2009, the Mayor can no longer support the proposed ERIP or the agreement with the Coalition of Unions. The Joint CAO/CLA report identifies the following changes in ERIP costs/benefits:

- Payroll savings - since delays in implementing ERIP have occurred, it is anticipated that only an average of four months savings will be achieved during the current fiscal year. According to the ERIP Savings Analysis chart, at four months of payroll savings, ERIP is anticipated to save approximately \$23 million across all funds, a difference of \$88 million less than the \$111 million originally anticipated.
- Budgetary Shortfall Solutions - the City Attorney has recently opined that the City Charter prohibits Management from permanently transferring employees between different appointing authorities without their prior consent. Therefore, ERIP savings from special and proprietary department funds will not translate to General Fund savings as previously assumed. The CAO/CLA now estimates that only 53% of ERIP savings, or \$12 million of the \$23 million above, could be counted towards addressing the General Fund problem. This is a difference of \$73 million less than the \$85 million originally anticipated.
- Cost Neutral - a comparison of the completed actuarial study, dated July 30, 2009, and present value analysis of the employee payback indicates that the increase in employees' contribution rate will not be sufficient to offset added costs related to ERIP. The employee payback of the increased employee contribution rate of 0.75% and elimination of the City's subsidy for the Defrayal Group does not cover the entire Unfunded Actuarial Accrued Liability (UAAL) increase in cost.
- Legal Challenges - legal challenges to the increase in employee pension contributions are expected. The City Attorney should brief the Council in Closed Session on the basis for and validity of these challenges.

Councilmember Smith stressed the need for the Council to take action on the ERIP on September 15th inasmuch as there currently is a \$50 - 60 million shortfall in the civilian SRS; the CAO reports that the City is overspending at a rate of \$11 million per payperiod or \$1 million per day. The CAO and CLA stressed during the Committee discussion that approval of ERIP and the agreement with the Coalition of Unions would severely limit the Council's ability to address remaining budget shortfalls inasmuch as 22,000 Coalition members would not be subject to either furloughs or layoffs;

therefore, the remaining personnel option to address shortfalls would be shared among sworn personnel and remaining non-Coalition members.

During the Committee discussion, representatives of the Coalition of Unions reported to the Committee their continued willingness to work with the CAO in an effort to address issues raised by the Committee and the joint CAO/CLA report relative to the agreement with the Coalition and ERIP.

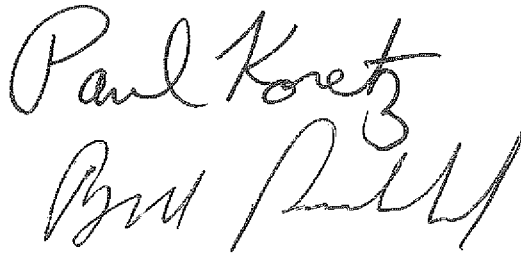
Following a lengthy discussion including public comment, the Committee voted 3-2 to submit the recommendations of the CAO/CLA without recommendation, and to submit to the Council Majority and Minority Reports. Councilmembers Huizar, Koretz and Rosendahl, in a Majority Report, recommended that the CAO continue negotiations with the Coalition of Unions through the evening to address impediments discussed in the joint CAO/CLA report. The CAO was further instructed to report to Council on September 15, 2009 on the outcome of these discussions so that the Council may consider these discussions in order to take action on ERIP. Councilmembers Parks and Smith, in a Minority Report, recommended approval of the CAO/CLA recommendations relative to the 2009-10 Budget Balancing Operational Plan. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
ROSENDAHL:	YES
HUIZAR:	YES
KORETZ:	YES

LB  
09-0600-S142\_rpt\_bfc\_09-14-09



SEP 16 2009

Received and Filed

-NOT OFFICIAL UNTIL COUNCIL ACTS-

COUNCIL VOTE

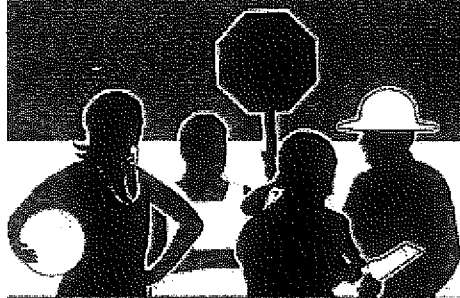
Sep 16, 2009 3:41:43 PM, #1

ITEM NO. (3)

Voting on Item(s): 3

Roll Call

ALARCON	Yes
CARDENAS	Yes
HAHN	Yes
HUIZAR	Yes
KORETZ	Yes
LABONGE	Yes
PARKS	Yes
*PERRY	Yes
REYES	Yes
ROSENDAHL	Yes
SMITH	Yes
(VACANT)	Absent
WESSON	Yes
ZINE	Absent
GARCETTI	Yes
Present: 13, Yes: 13 No: 0	



# COALITION OF LA CITY UNIONS

RECEIVED

SEP 15 2009

## AFSCME LA City Local Unions

- 164 - CRA Basic Unit
- 585 - CRA Professional Unit
- 741 - LA City Part Time Recreation Unit
- 901 - Recreation and Parks Prof. Unit
- 1890 - CRA Management Assn.
- 2008 - LA City Prof. Medical Employees
- 2204 - CRA Supervisory Unit
- 2626 - Librarians' Guild, Supervisory and Rank & File
- 3090 - LA City Clerical and Support Services Employees
- 3672 - Executive Administrative Assistants

## International Union of Operating Engineers Local 501

## Laborers' Local 777

## LA/Orange Counties Building & Construction Trades Council

## Service Employees International Union Local 721

- LAPMA - LA Prof. Managers' Assn.
- LACAA - LA City Attorneys' Assn.

## Teamsters Local 911



September 15, 2009

City Council  
City of Los Angeles  
200 N. Spring St.  
Los Angeles, CA 90012

Dear Councilmembers:

The Coalition of LA City Unions met with the CAO and Council leadership into the night and successfully answered the call for \$50 to \$60 million in savings for this year. We provided ideas and offers estimated at \$62 million.

The CAO/CLA report lays out what we all know: that any savings from ERIP, just as with those from layoffs, shrink with every day of delay. The CAO and CLA report that, if agreements had been enacted earlier, "After accounting for EAA furloughs, Coalition COLA deferral and ERIP would have more than offset the civilian SRS."

While we disagree with some of the assumptions in the report, we understood the call: More savings would give the City the room it needs to get through this year while implementing ERIP and continuing the Coalition Agreement.

The lesson that should now be clear to everyone is that real budget solutions must begin early. In that vein, the choice before you may be more about next year than this. The City can either:

- Implement short-term solutions along with ERIP and the Coalition Agreement, enter next year with \$267 million already in savings, and go forward with the cooperation of your labor partners; or
- Attempt to layoff and furlough its way out of this year, enter next year even deeper in the hole, and open itself up to lawsuits that have a good chance to radically alter the City's budget plan late in the budget year.

Cheryl Parisi, Chair

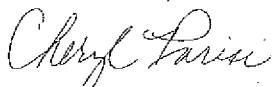
AFSCME District Council 36 | 514 Shatto Place, 3rd Floor Los Angeles, CA 90020 | (213) 487 - 9887

*Coalition Letter to Council, Page 2*

We see the ideas offered last night as a catalyst, which will help the City get over the hump this year in order to realize the full savings of ERIP and the COLA deferral, which we estimate at a total of \$1.1 billion over five years.

We have always said we are prepared to meet at any time with any City leaders who are willing to join us in trying to maintain City services and get through this budget challenge with the least damage to Los Angeles and workers' families. The Council gave us that chance, and once again we stepped up to do more than our part.

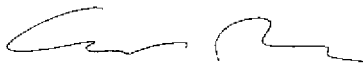
In solidarity,



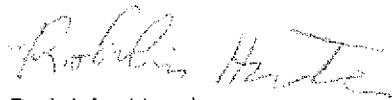
Cheryl Parisi  
AFSCME Council 36



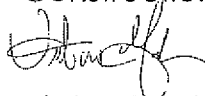
Julie Butcher  
SEIU Local 721



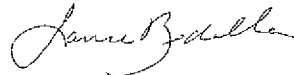
Carlos Rubio  
Teamsters, Local 911



Robbie Hunter  
Los Angeles County Building &  
Construction Trades Council



Victor Gordo  
LIUNA, Local 777




Lance Bedolla  
Operating Engineers, Local 501

# CLA MEMORANDUM

September 15, 2009

To: Honorable Members of the City Council

From: Gerry Miller   
Chief Legislative Analyst

## **2009-10 BUDGET BALANCING OPERATIONAL PLAN (C.F. 09-0600-S137)**

Pursuant to the instructions of the Budget and Finance Committee at their September 14, 2009 meeting on the 2009-010 Budget Balancing Operation Plan, the Office of the Chief Legislative Analyst was directed to provide information on the implications and concerns with regard to the proposed Early Retirement Incentive Program (ERIP). Attached herewith is the requested information. This is not an exhaustive list, rather it reflects the major issues that have discussed with regard to ERIP. Should you have questions, please do not hesitate in contacting us.

GFM:SMT

**Early Retirement Incentive Program (ERIP)**  
**As of September 2009**

---

**If City Approves ERIP**

The City would achieve immediate and long-term savings in payroll, employee benefits and pension costs.

More humane approach, providing a soft landing by encouraging voluntary retirements as opposed to layoffs.

Higher paid employees would leave, requiring departments to restructure their organizations with a less expensive workforce.

**Concerns:**

◆ **2009-10 Budget Impact:** ERIP does not solve the current year budget deficit. In fact, as currently structured, it limits budget solving options. Several departments would need appropriations if ERIP is approved. Also, the proposed additional .75% contribution would not start until 2011-12, while the City's obligation to pay for ERIP begins in 2010-11.

◆ **No Layoffs/Furloughs Provision Results in Disparate Impacts:** Layoffs and furloughs of Coalition Members will be permitted only under specific circumstances, resulting in disparate impacts as the remaining budgetary shortfall would have to come from sworn and other civilian unions and non represented employees.

◆ **Equity Between All City Employees:** On-going discussions with Non-Coalition Unions (e.g. sworn, EAA) involve base pay reductions, furloughs and layoffs. However, ERIP, as currently structured, would protect the base pay of Coalition members.

◆ **Cost Neutrality:** ERIP, as currently structured is not cost neutral. The most

**If City Does Not Approve ERIP**

The City would achieve immediate and long-term savings in payroll, employee benefits and pension costs.

Budget Reductions, such as layoffs and furloughs, would be spread over entire workforce, thus minimizing disparate impacts on the City workforce.

Work furloughs are allowed under the fiscal emergency declared by the Mayor and Council earlier this year.

Layoffs will impact newer, entry level employees who are lower end of pay scale.

Layoff process is lengthy and cumbersome given seniority and displacement rules specified in the Charter and Civil Service Rules.

Litigation anticipated, although the City maintains this was a tentative agreement that could not be approved by Council until an actuarial study was completed.

Cost of Living Adjustments would be due to Coalition members, retroactive to July 1, 2009.

likely scenario of ~2,300 participants will cost \$332M on a present value basis; the additional .75% contribution and elimination of the defrayal will generate about \$179M on a present value basis (\$361M gross)

- ◆ **Legality:** The additional .75% pension contribution could be challenged. If City loses, then the entire cost of the ERIP would be borne by the General Fund until all court appeals are exhausted.
- ◆ **Actual Cost of ERIP Unknown:** The actual cost will not be known until the window for the filing period closes. There is a proposed 45 day filing period, after which the LACERS actuarial will conduct a review to determine additional contribution necessary to amortize the cost of the UAAL.
- ◆ **ERIP Budget Savings Impacted by:**
  - Timing:** At best, only 4 months of savings can be anticipated from ERIP due to implementation timelines.

**"Bumping" of Non-Coalition to Coalition Position:** Savings could be reduced by 20 to 25% when the layoff of a Non-Coalition position is effectively stopped when that individual reverts to a Coalition classification.

**Transfer of Employees to Special Funds:** ERIP savings could be increased or reduced depending upon whether employees agree to being transferred to special funded jobs. Under the Charter, employees cannot be transferred against their will, unless it is a functional transfer or a temporary transfer (Mayoral authority).

**Effective Date of Retirement:** General Managers have discretion on the effective date of retirements. To the extent critical employees are retained for transition periods, savings from ERIP could be impacted.

**Backfill Rate:** The backfill rate of positions vacated by ERIP participants will be limited to 6-7% per year.

**Actuarial Study is Predicated on Expected Number of ERIP Electors.**

However, there has been little discussion on the impact if **more or less** than 2,300 participants.

**LACERS:** Usually processes about 50 retirements per month. ERIP would pose significant challenges to get retirements processed in time to generate necessary savings.

◆ **Bottom Line:** There is a \$405M Budget Problem. As shown on Page 8 of the CAO/CLA Report, if ERIP is approved and generates \$12M in savings, the unresolved budget problem is \$293M, comprised of: \$129M Police Shared Sacrifice, \$66M in remaining Civilian Shared Sacrifice, \$13M in remaining Fire Shared Sacrifice, and \$85M in Budget Shortfalls. If Mayor and Council approve \$146M in recommended reductions for Police and Fire, the remaining unresolved deficit is \$147M. As a point of reference, eliminating **ALL** non-Coalition employees will generate only \$128M.

◆ **Bottom Line:** There is a \$405M Budget Problem. As discussed on Page 10 of the CAO/CLA Report, if ERIP is not approved, furloughs would be implemented across the board for civilian employees, generating \$105M, plus \$80M in targeted reductions throughout City departments. If Mayor and Council approve \$146M in recommended reductions for Police and Fire, the remaining unresolved deficit is \$74M

Regardless of whether ERIP is approved or not:

- ◆ The City cannot afford the number of general funded jobs in the City.
- ◆ There will be service impacts as position reductions will be necessary, whether from ERIP, furloughs or layoffs.
- ◆ Furloughs and Layoffs will still be necessary to close the remaining budget gap for 2009-10, with the actual number of furloughs and layoffs, and who it will be imposed upon, dependent on budget balancing choices made by the Mayor and Council.
- ◆ Concessions will be needed; City is already at impasse with UFLAC.
- ◆ Significant challenges lie ahead in 2010-11, with a projected deficit of over \$800M. This will not be solved without an overhaul of how the City does business and a determination of the City's core priorities.
- ◆ Significant changes in the financial outlook have occurred since ERIP was first proposed. It made more sense when up to 9 months of savings could be achieved. But, with concerns indicated herein, the additional \$75M reduction in revenues, up to \$90M more in liability claims, a reduced Reserve Fund, lack of cash flow and the possibility the City will run out of cash in May 2010, the over expenditure of \$1M per day, and the uncertainty at the State level, immediate and certain action by the City is necessary.

To: Chairman and Members,  
Budget and Finance Committee,  
Los Angeles City Council,  
City Hall.  
Los Angeles.

From: Ida Talalla,  
Founder- Coordinator *Ida Talalla*  
Echo Park TAP( trash Abatement Project)  
P.O.Box 26110,  
Los Angeles.

Date: September 14, 2009

**Re: Urging City not to dismantle the City's Community Beautification Grant Program.**

I am a community environmental activist. I also serve on the Board of the Greater Echo Park Elysian Neighborhood Council. EP TAP is a recipient of an award this year from the Community Beautification Grant Program\*. It could be said that I am biased but I am not for selfish reasons but because this program ~~that~~ serves community at its grassroots core in a manner that the City cannot address through other conduits such as DONE or its NCs. The Community Beautification Grant Program affords citizens a unique opportunity to pool its volunteer hours towards a project that benefits COMMUNITY in meaningful ways that go beyond the dollar amount. To dismantle CBG program is to leave community without access to a source of staff expertise and competitive funding that in no way can be replicated by other City agencies.

What communities at the grass roots level need are informed, dedicated staff and a small bit of money that will enable them to unleash their commitment and knowledge of the area that benefits their community. This program does it with skill, humor, tact, large doses of encouragement, within quick if not immediate response time and sometimes, a box of Kleenex. **This is City GOLD!** In a time of crisis such as the one the City is now facing, communities cannot feel that they are being left abandoned. I root for this program not just for what it does in my own community but because it spreads its enthusiasm and expertise in communities that have limited opportunities and because it brightens some of the City's darkest spots. **This is CITY GOLD than is not to be squandered.**

I urge this committee to spend a half hour seeing slides/videos/photos of projects past and present, and stories of success and failure to see the magnitude of service.

**PLEASE DO NOT DISMANTLE a service that is of significance to community.** and the City. It is one that cannot be replicated by other agencies meaningfully..

I submit this statement and material for the record.

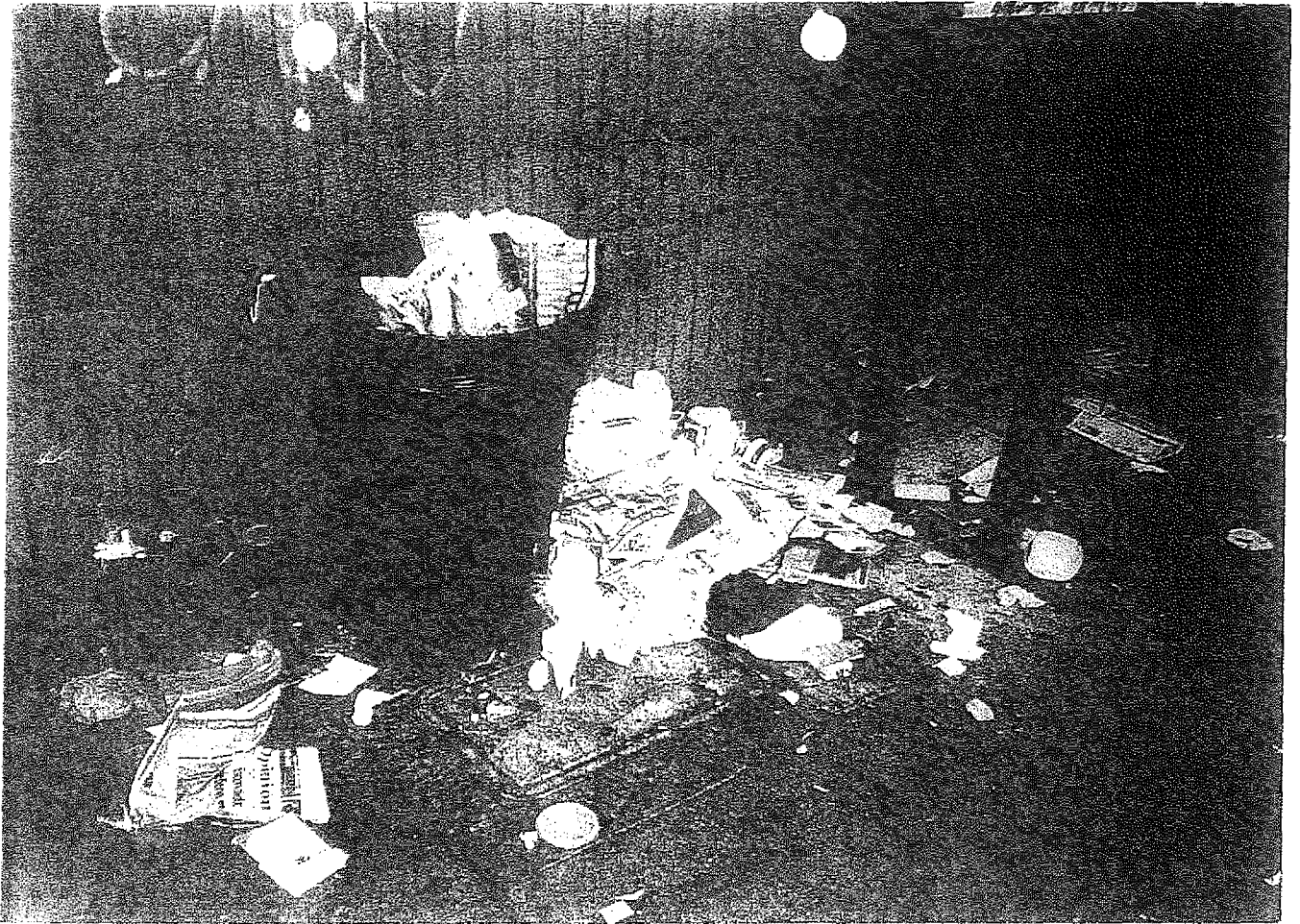
Thank you.

*Ida*

cc, CD 13 and CD 1

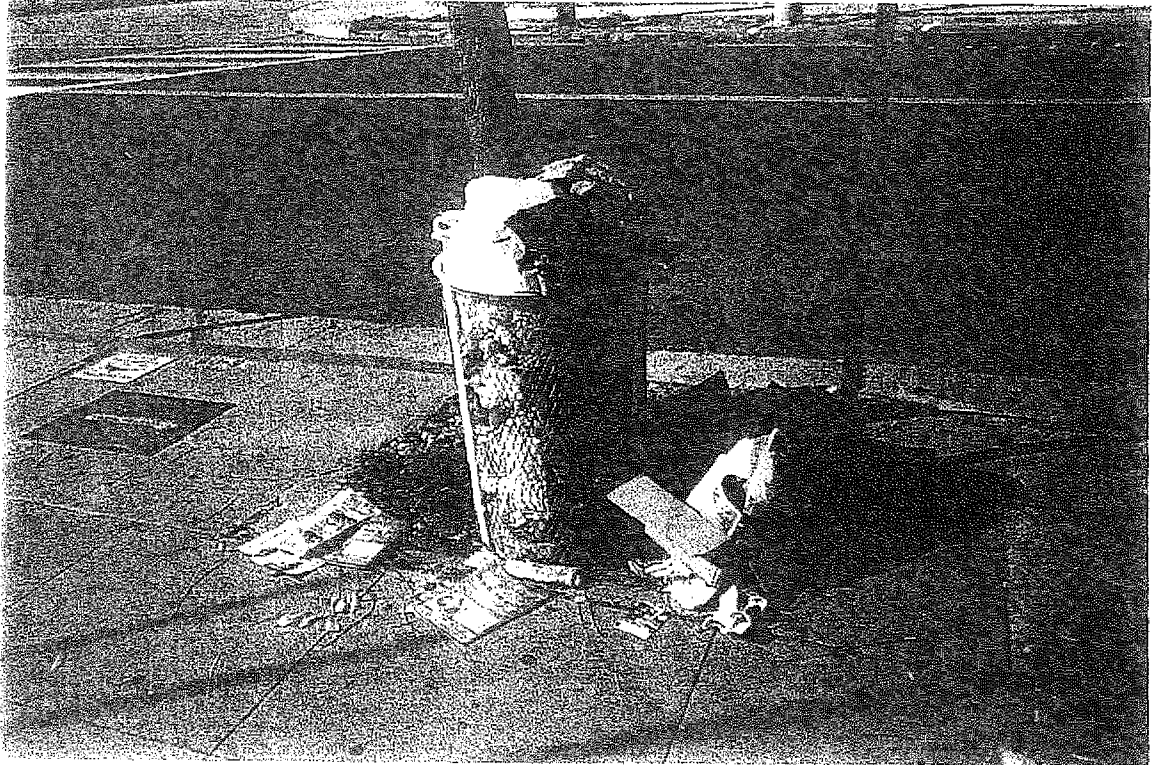
File 65

Date: 9/14/09  
Submitted in B&F Committee  
Council File No: 09-0600-5142  
Item No. 1  
Deputy: B. Malwhite

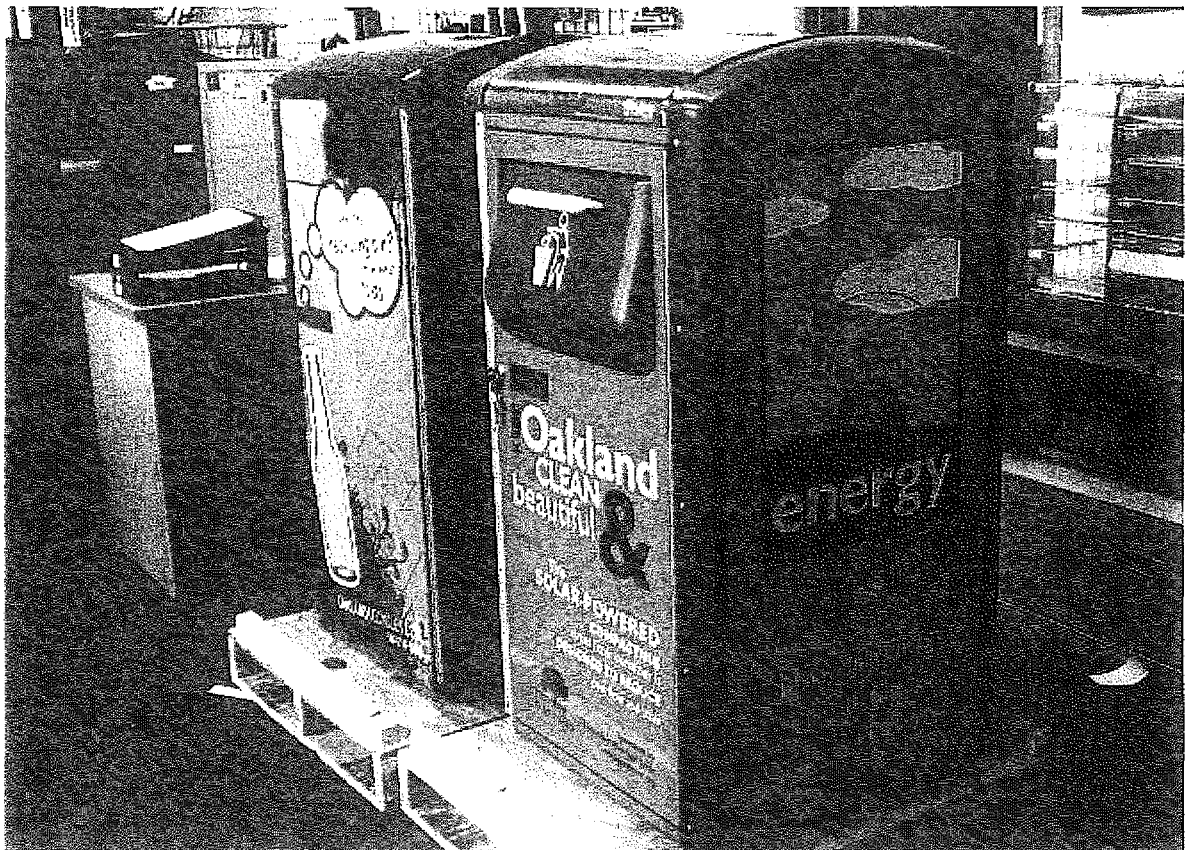
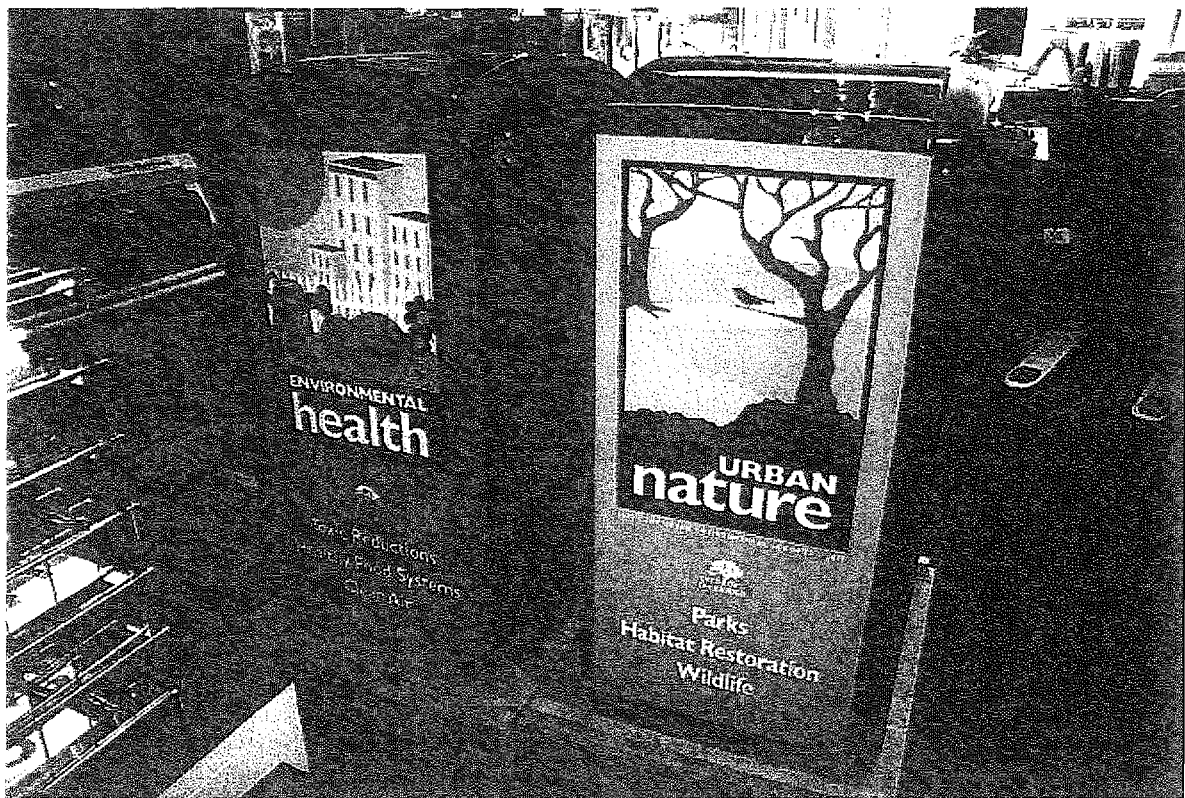


(A)

[Current location: walgreen's location] Place Big Belly here instead of wire mesh.

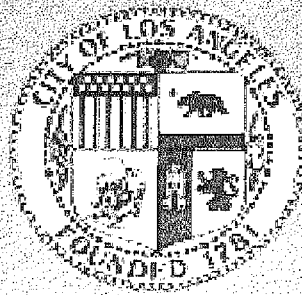


Trash spilling out of wire mesh trash cans.



awarded solar Big Belly Compactor Trash Can..

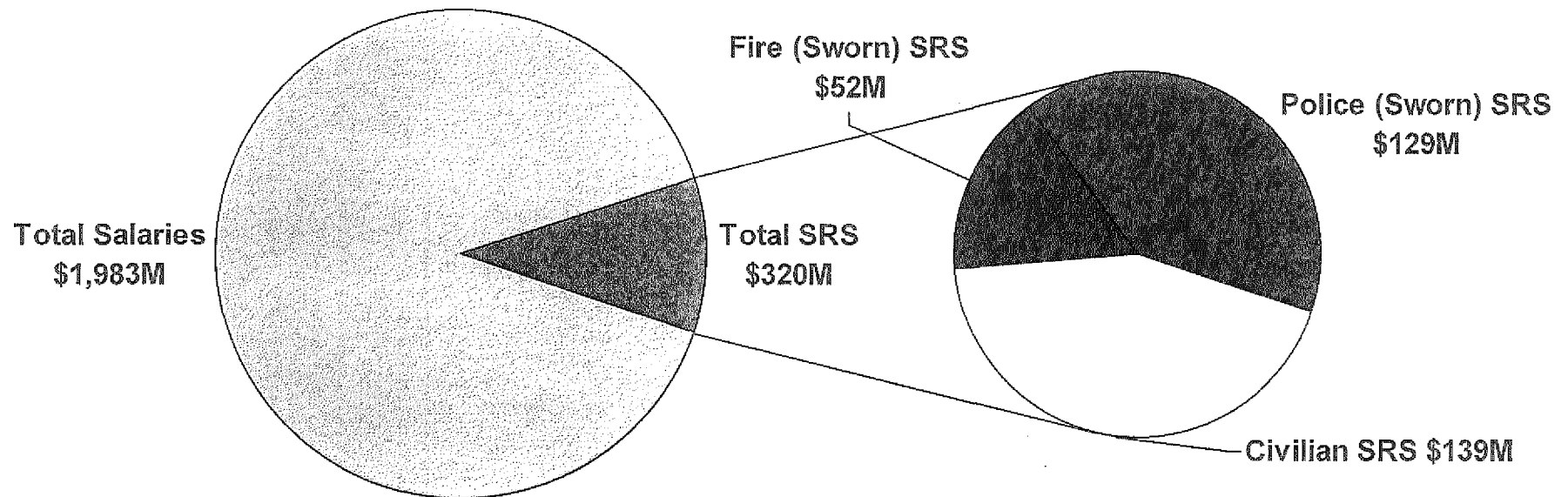
# BUDGET AND LABOR UPDATE



Date 9/14/09  
Submitted in BSP Committee  
Council File No: 09-0600-5142  
Item No. 1  
Deputy Bryan Luwato

City Administrative Office

# 2009-10 Adopted Budget Salaries and Shared Responsibility and Sacrifice (SRS)



Police Sworn	\$775	39%
Fire Sworn	\$312	16%
Civilian	\$896	45%
Total Salaries	\$1,983	100%

Total \$320 million SRS

## Revenue and State Impact

- FY 08/09 closing yielded \$36 million less than expected
- Current data suggests a \$75 million revenue shortfall in the current fiscal year
- Property Tax - The State will borrow \$113 million although the City can participate in the loan securitization program.
- Gas Tax - The State may defer distribution of gas tax revenue to the latter half of the year.

# Reserve Fund

- The Reserve Fund balance stands at \$151 million versus \$243 million in budget
- A sufficient reserve is necessary for the City to respond to natural disasters
- Credit rating agencies and investors use the Reserve Fund as a barometer of the City's fiscal health

# 2009-10 Budget Deficit

- The deficit attributed to the revenue shortfall and Shared Responsibility and Sacrifice (SRS) has grown from \$320 million to \$405 million

SRS	\$320
Implementation Delay	\$10
Additional Revenue Shortfall	\$75
Total Budget Deficit	\$405

# Benefits of ERIP and Coalition LOA

As discussed in June 2009

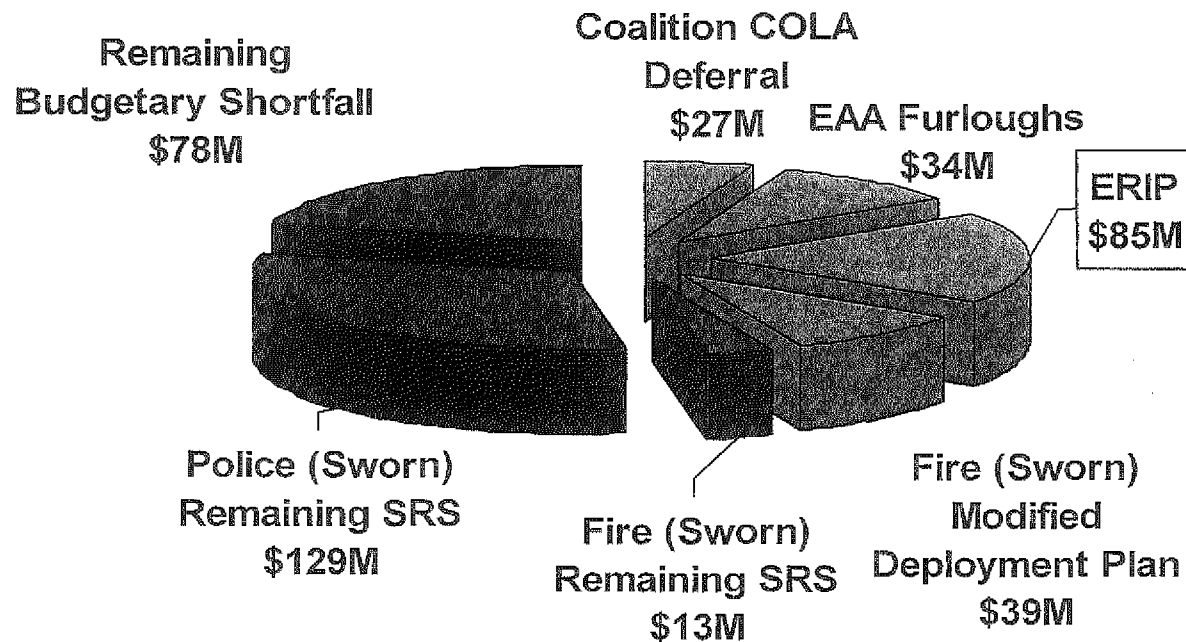
- Fiscal - Reduces the payroll base and benefit costs over the next several years
- Organizational - Ability to reduce top layers of management
- Management – Layoff process can be lengthy and cumbersome
- Humane way to reduce the City's workforce
- As originally proposed, sufficient savings was projected in the current year to offset a significant portion of the civilian SRS

# Original ERIP Assumptions

- Payroll Savings – Nine months of savings totaling \$111 million
- Budgetary Solutions – Goal of achieving 70% General Fund savings (\$85 million of the \$111 million)
- Cost Neutral – The reduction in payroll as well as a long-term increase in the employees' contribution rate, would offset any costs related to ERIP
- Legal Challenges – Approval by a majority of labor organizations representing a majority of LACERS members would minimize legal challenges by those opposed to the program

# Shared Responsibility and Sacrifice (SRS) As Discussed in June 2009

## **\$405 Million SRS/Budgetary Shortfall with Original ERIP Assumptions**



Originally, approved and tentative actions would have resolved \$185 million of the \$405 million leaving a gap of \$220 million

# Modified ERIP Assumptions

- Payroll Savings – Now only four months of savings totaling \$23 million (General Fund is only \$12.4 million)
- Budgetary Solutions – The City Attorney opined that employees cannot be permanently transfer between appointing authorities without their prior consent.
- Cost Neutral – A present value analysis of the employee payback indicates that the increase in employees' contribution rate will not be sufficient to offset added costs related to ERIP
- Legal Challenges – Legal challenges to the increase in employee pension contributions are expected

# What has changed? - ERIP Cost

- ERIP actuarial report received on July 30, 2009
- City employees do not pay the full cost of ERIP

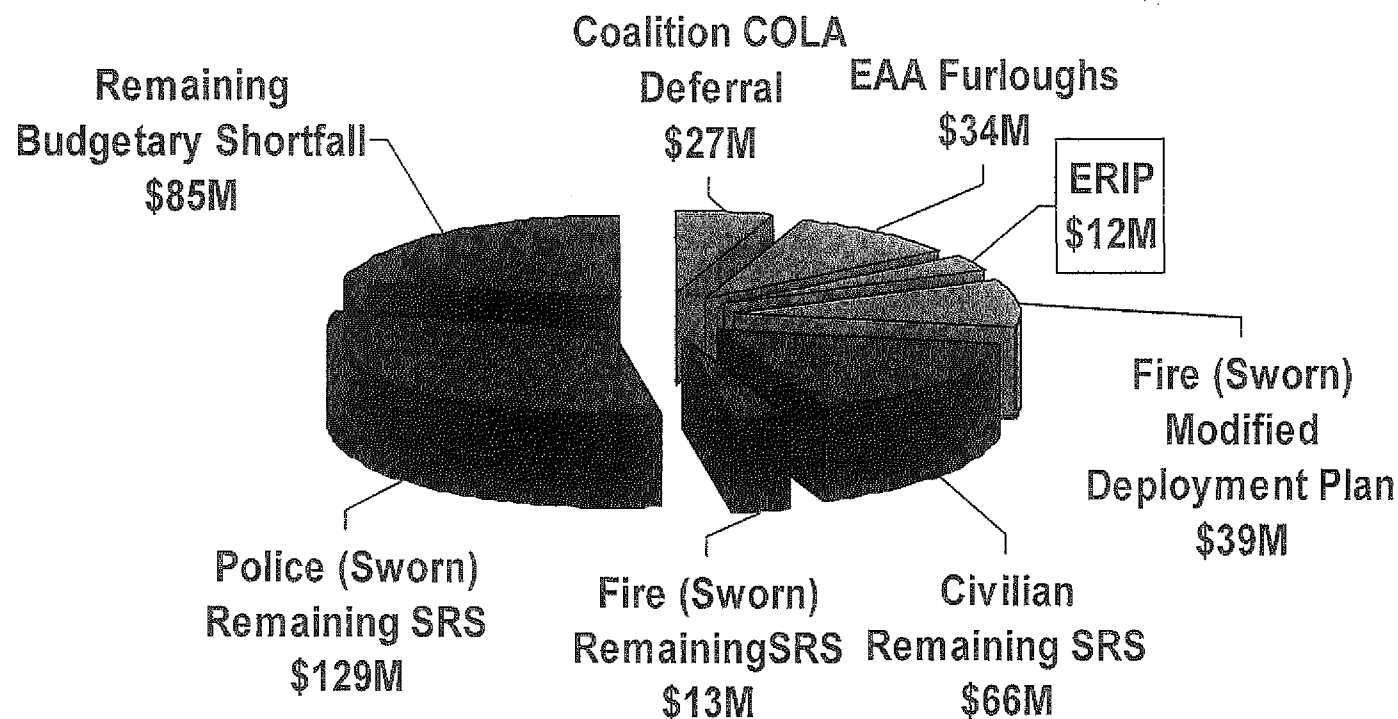
Fiscal Year 2009/10	Alternative 1	Alternative 2
UAAL Increase	\$250 million	\$354 million
Cost of Cash Incentives	\$43 million	\$51 million
Total ERIP Cost	\$293 million	\$405 million
Employee Payback	\$179 million	\$175 million
City Surplus/(Deficit)	(\$114 million)	(\$230 million)

Based on 15 year amortization period  
All data reflects present values

# Shared Responsibility and Sacrifice (SRS)

## September 2009

**\$405 Million SRS/Budgetary Shortfall  
with Revised ERIP Assumptions**



With updated information, approved and tentative actions would now only resolve \$112 million of the \$405 million leaving a gap of \$293 million

# Sworn SRS Shortfall

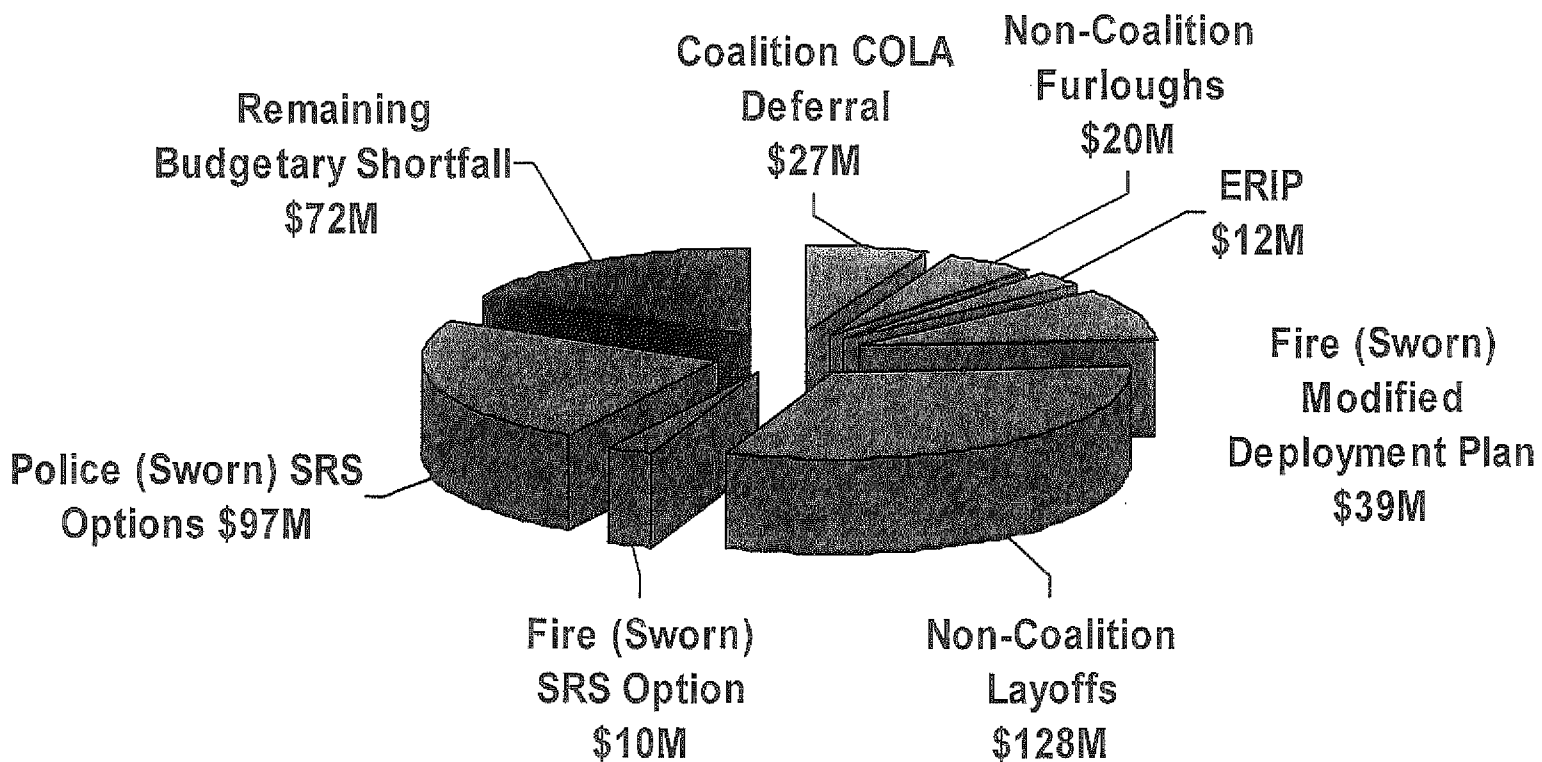
- The sworn SRS component totals \$181 million (\$129 million for Police and \$52 million for Fire).
- Fire's Modified Deployment Plan (\$39 million in savings).
- Remaining sworn deficit of \$13 million for Fire.
- Negotiations have not been successful thus far with UFLAC and the City has filed a Notice of Impasse with the ERB.
- Contract negotiations are ongoing with PPL; however, resolution has not been achieved and it is unlikely to reach an agreement to cover the full \$129 million.
- Police options include furloughs, Police hiring, layoffs and grant funds

# Non-coalition Workforce

- EAA represents the majority of non-coalition workforce and are employed across all City departments
- Already subject to 26 furlough days
- The no layoff/no furlough impacts approximately 25% of non-coalition employees due to bumping rights
- One-third of non-coalition employees are special or grant funded thus layoffs would be restricted to approximately 4,700 General Fund positions

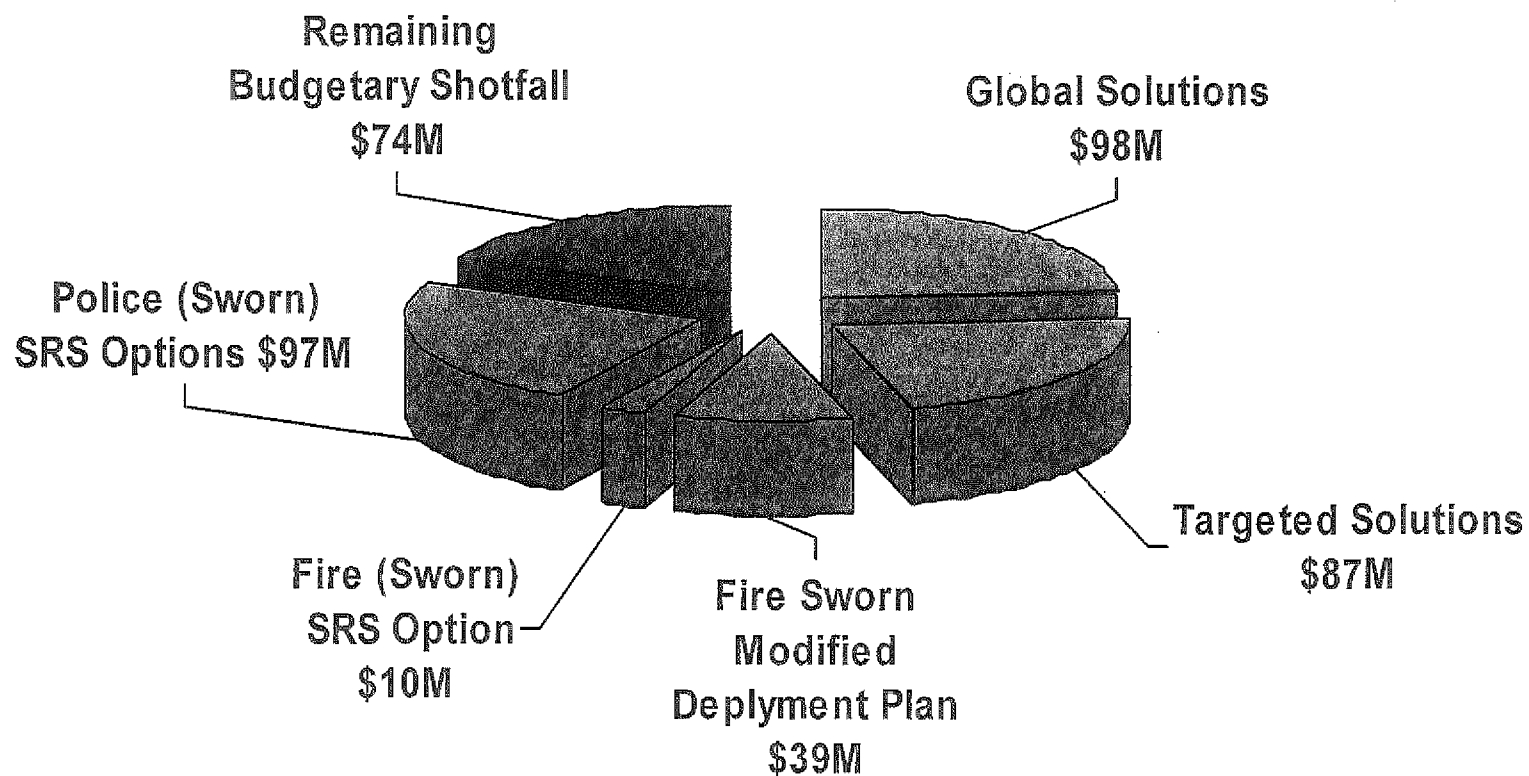
# Potential Solutions with ERIP

**\$405 Million SRS/Budgetary Shortfall  
with \$333 Million in Potential Solutions**



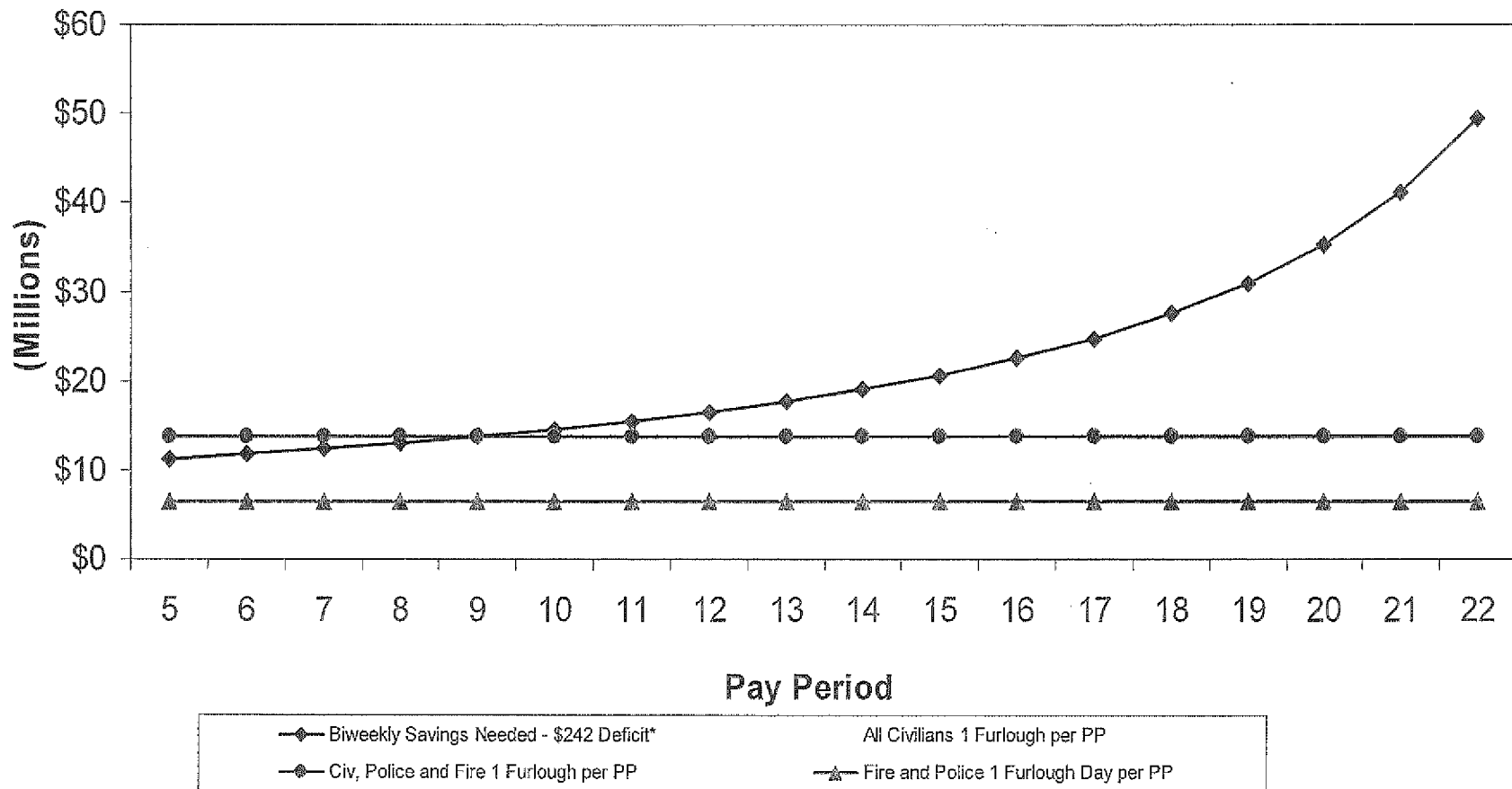
# Alternative Operational Plan

**\$405 Million SRS/Budgetary Shortfall  
with \$331 Million in Potential Solutions**



# Budget Deficit and Furlough Savings

Budget Deficit Furlough Savings



Assumes a \$242 million deficit factoring EAA furloughs and Fire's modified staffing plan.

## Need for Immediate Action

- The City is overspending at a rate of \$11 million per pay period or \$1 million per day
- Insufficient monies are available in the Reserve Fund without adversely affecting 2010-11 and the City's bond rating
- If no action is taken, the city may run out of money in early June
- The outlook for 2010-11 reflects a deficit of over \$400 million

## ATTACHMENT 2

## Aging

Revised  
9/14/09

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
1. Baseline Budget Status The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ 4,086	-	\$ 4,086	48
<b>Global Solutions</b>				
2. Employee Work Furloughs Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 106,057	-	\$ 106,057	-
<b>TOTAL AGING</b>	\$ 110,143	-	\$ 110,143	48

2009-10 Baseline Budget Status	\$ 4,086	-	\$ 4,086	48
Operational Plan Solutions	106,057	-	106,057	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 110,143	-	\$ 110,143	48

Date: 09/14/09  
 Submitted in B&F Committee  
 Council File No: 09-0600-S142  
 Item No. 1  
 Deputy: [Signature]

**ATTACHMENT 2**  
**Animal Services**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
<b>3. Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (3,200,000)	-	\$ (3,200,000)	374
<b>Global Solutions</b>				
<b>4. Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,954,000	-	\$ 1,954,000	-
<b>Targeted Separations</b>				
<b>5. Achieved Voluntary Employee Separations</b> Since July 1st, one employee has separated from the Department. The Department has no intent to backfill this separation. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 50,454	-	\$ 50,454	(1)
<b>6. Expected Voluntary Employee Separations</b> The Department reports an estimate of one voluntary employee separation through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 24,218	-	\$ 24,218	(1)
<b>7. Shelter Operations</b> Due to a lack of funds, decrease the department's baseline employment by 31 employees performing shelter operations. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 579,173	-	\$ 579,173	(31)
<b>8. Field Operations Program</b> Due to a lack of funds, decrease the department's baseline employment by seven employees to realign the management duties and responsibilities for the Field Operations Program. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 197,498	-	\$ 197,498	(7)
<b>9. Medical and Administrative Hearing Services</b> Due to a lack of funds, decrease the department's baseline employment by four employees performing medical services and one employee performing administrative hearing services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 121,670	-	\$ 121,670	(5)
<b>10. Call Center</b> Due to a lack of funds, decrease the department's baseline employment by six employees performing call center services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 144,040	-	\$ 144,040	(6)

**ATTACHMENT 2**  
**Animal Services**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Other Changes or Adjustments</b>				
11. Animal Spay and Neuter Trust Fund	\$ 90,890	-	\$ 90,890	-
Due to a lack of funds, reduce the General Fund appropriation to the Animal Spay and Neuter Trust Fund (Fund 543) by \$90,890. This reduces the General Fund subsidy to Fund 543 from \$810,000 to \$719,110.				
<b>TOTAL ANIMAL SERVICES</b>	<b>\$ (38,057)</b>	<b>-</b>	<b>\$ (38,057)</b>	<b>323</b>
<b>2009-10 Baseline Budget Status</b>	<b>\$ (3,200,000)</b>	<b>-</b>	<b>\$ (3,200,000)</b>	<b>374</b>
Operational Plan Solutions	3,161,943	-	3,161,943	(51)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (38,057)</b>	<b>-</b>	<b>\$ (38,057)</b>	<b>323</b>

**ATTACHMENT 2**  
**Building and Safety**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
12. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (3,050,758)	-	\$ (3,050,758)	970
<b>Global Solutions</b>				
13. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,027,578	-	\$ 1,027,578	-
<b>Targeted Separations</b>				
14. <b>Achieved Voluntary Employee Separations</b> Since July 1st, 13 employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 65,388	-	\$ 65,388	(13)
15. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated 31 voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 245,839	-	\$ 245,839	(31)
16. <b>Inspection Services</b> Due to a lack of funds, decrease the department's baseline employment by nine employees performing inspection services. The Department is currently in discussions with the Housing Department in regards to placing these employees.	\$ -	-	\$ -	(6)
17. <b>Various Staff Reductions</b> Due to a lack of funds, decrease the department's baseline employment by 46 employees performing Code Enforcement, Plan Check, Inspection, and Support Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 1,127,134	-	\$ 1,127,134	(54)
<b>Other Changes or Adjustments</b>				
18. <b>Reassign Staff and Miscellaneous Adjustments</b> To close the department projected deficit and retain expert personnel, reassign 25 staff within the Department and adjust miscellaneous appropriations.	\$ 584,819	-	\$ 584,819	-

## ATTACHMENT 2

TOTAL BUILDING AND SAFETY

\$	-	-	\$	-	866
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2009-10 Baseline Budget Status

\$	(3,050,758)	-	\$	(3,050,758)	970
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Operational Plan Solutions

3,050,758	-	3,050,758	(104)
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2009-10 ADJUSTED BUDGET STATUS

\$	-	-	\$	-	866
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**ATTACHMENT 2**  
**City Administrative Officer**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
19. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,748,339)	-	\$ (1,748,339)	134
<b>Global Solutions</b>				
20. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,000,170	-	\$ 1,000,170	-
<b>Targeted Separations</b>				
21. <b>Achieved Voluntary Employee Separations</b> Since July 1st, one employees has separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 110,230	-	\$ 110,230	(1)
22. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated two voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 51,236	-	\$ 51,236	(2)
23. <b>Budgetary Analysis and Management Services</b> Due to a lack of funds, decrease the department's baseline employment by five employees performing budgetary analysis and management services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 148,953	-	\$ 148,953	(5)
<b>Increased Sources of Funds</b>				
24. <b>Funding Source Offsets</b> Recognize reimbursements for the Financial Management System Project and from the Tax Amnesty and Propositions F and Q, which will supplement salary funding during 2009-10.	\$ 247,592	-	\$ 247,592	-
<b>Other Changes or Adjustments</b>				
25. <b>Expense Account Reductions</b> Reduce funding for general financial advisors and actuarial consulting services by \$95,079 each to offset the Department's current year salary shortfall.	\$ 190,158	-	\$ 190,158	-
<b>TOTAL CITY ADMINISTRATIVE OFFICER</b>	\$ -	-	\$ -	126
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	1,748,339	-	1,748,339	(8)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	126

## ATTACHMENT 2

## City Attorney

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
26. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (15,417,245)	-	\$ (15,417,245)	1,014
<b>Global Solutions</b>				
27. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for al civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 8,954,635	-	\$ 8,954,635	-
<b>Targeted Separations</b>				
28. <b>Achieved Voluntary Employee Separations</b> Since July 1st, six employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 436,413	-	\$ 436,413	(6)
29. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated 10 voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve the savings amount.	\$ 597,461	-	\$ 597,461	(10)
30. <b>General Staff Reductions</b> Due to lack of funds, the Department estimates approximately 48 employees are non-tenured probationary employees and may be targeted for layoffs. The amount reflects cost savings for eight months beginning November should these actions be taken. The Office of the City Attorney will be responsible for processing the layoffs.	\$ 2,723,265	-	\$ 2,723,265	(48)
31. <b>Safe Schools Reduction</b> Due to lack of funds, the Department recommends six staff reductions of positions assigned to the Safe Schools Program. The cost savings reflected is based on five months due to the length of time required to implement the layoff process.	\$ 316,754	-	\$ 316,754	(6)
<b>Increased Sources of Funds</b>				
32. <b>CLEAR Interim Transfers</b> The Department will be receiving additional appropriations for the CLEAR program this fiscal year. This appropriation will come from a variety of sources including both grants (JAG 07, JAG 08, JAG ARRA and two earmarks) and unspent General Fund.	\$ 842,277	-	\$ 842,277	-
33. <b>Intellectual Property Fund Interim Transfer</b> The Department anticipates a transfer from the Intellectual Property (IP) Trust Fund to reimburse three General Fund positions for salary expenses of staff who handle IP legal matters.	\$ 322,619	-	\$ 322,619	-

**ATTACHMENT 2  
City Attorney**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Other Changes or Adjustments</b>				
34. Interoffice Transfer Reduce the Office and Administrative Expense Account (6010) appropriation and transfer to the 1010, Salaries General Account. Savings will be achieved through reduced purchases of printer/fax toners officewide.	\$ 50,000	-	\$ 50,000	-
35. UB Outside Counsel Transfer Transfer \$500,000 from the Unappropriated Balance (UB) Outside Counsel including Workers' Compensation line item to the Department's Salaries General Account. The Department indicates more cases will be handled by in-house attorneys resulting in a savings in outside counsel expenditures.	\$ 500,000	-	\$ 500,000	-
36. Proprietary Adjustment Department will transfer one Assistant City Attorney (ACA) who is currently General Funded into a vacant ACA Proprietary Reimbursable position. This transfer also assumes the position will not be backfilled.	\$ 104,033	-	\$ 104,033	-
<b>TOTAL CITY ATTORNEY</b>	\$ (569,788)	-	\$ (569,788)	944

2009-10 Baseline Budget Status	\$ (15,417,245)	-	\$ (15,417,245)	1,014
Operational Plan Solutions	14,847,457	-	14,847,457	(70)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ (569,788)	-	\$ (569,788)	944

## ATTACHMENT 2

## City Clerk

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
37. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,328,341)	-	\$ (1,328,341)	142
<b>Global Solutions</b>				
38. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,031,420	-	\$ 1,031,420	-
<b>Targeted Separations</b>				
39. <b>Achieved Voluntary Employee Separations</b> Since July 1st, six employees have separated from the Department. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 459,905	-	\$ 459,905	(6)
40. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated one voluntary employee separation through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 108,984	-	\$ 108,984	(1)
<b>Increased Sources of Funds</b>				
41. <b>BID Trust Fund Transfer</b> Due to a lack of funds, transfer \$400,000 in one-time savings in the BID Trust Fund to offset potential layoffs.	\$ 400,000	-	\$ 400,000	-
<b>TOTAL CITY CLERK</b>	<b>\$ 671,968</b>	<b>-</b>	<b>\$ 671,968</b>	<b>135</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	2,000,309	-	2,000,309	(7)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 671,968</b>	<b>-</b>	<b>\$ 671,968</b>	<b>135</b>

**ATTACHMENT 2**  
**Community Development**

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
42. Baseline Budget Status	\$ -	-	\$ -	278
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.				
<b>Global Solutions</b>				
43. Employee Work Furloughs	\$ -	(1,096,888)	\$ (1,096,888)	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.				
<b>TOTAL COMMUNITY DEVELOPMENT</b>				
	\$ -	(1,096,888)	\$ (1,096,888)	278
<b>2009-10 Baseline Budget Status</b>				
	\$ -	-	\$ -	278
Operational Plan Solutions	-	(1,096,888)	(1,096,888)	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>				
	\$ -	(1,096,888)	\$ (1,096,888)	278

## ATTACHMENT 2

## Controller

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
44. Baseline Budget Status	\$ (1,710,175)	-	\$ (1,710,175)	186
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.				
<b>Global Solutions</b>				
45. Employee Work Furloughs	\$ 1,664,330	-	\$ 1,664,330	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.				
<b>TOTAL CONTROLLER</b>	<b>\$ (45,845)</b>	<b>-</b>	<b>\$ (45,845)</b>	<b>186</b>
<b>2009-10 Baseline Budget Status</b>				
	\$ (1,710,175)	-	\$ (1,710,175)	186
Operational Plan Solutions	1,664,330	-	1,664,330	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (45,845)</b>	<b>-</b>	<b>\$ (45,845)</b>	<b>186</b>

**ATTACHMENT 2**  
**Convention Center**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
46. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (235,329)	-	\$ (235,329)	153
<b>Global Solutions</b>				
47. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,062,553	-	\$ 1,062,553	-
<b>Other Changes or Adjustments</b>				
48. <b>Contractual Services Reduction</b> The Department will reduce current year expenditures in contractual services by \$166,015 to partially offset the City's overall current year deficit.	\$ 166,015	-	\$ 166,015	-
<b>TOTAL CONVENTION CENTER</b>	<b>\$ 993,239</b>	<b>-</b>	<b>\$ 993,239</b>	<b>153</b>

<b>2009-10 Baseline Budget Status</b>	<b>\$ (235,329)</b>	<b>-</b>	<b>\$ (235,329)</b>	<b>153</b>
Operational Plan Solutions	1,228,568	-	1,228,568	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 993,239</b>	<b>-</b>	<b>\$ 993,239</b>	<b>153</b>

## ATTACHMENT 2

## Council

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
49. Baseline Budget Status	\$ -	-	\$ -	80
The adopted budgets of the Mayor and City Council include a 14% salary reduction which will be achieved through a combination of salary reductions, furloughs or layoffs to achieve balanced budgets.				
<b>TOTAL COUNCIL</b>	\$ -	-	\$ -	80

2009-10 Baseline Budget Status	\$ -	-	\$ -	80
Operational Plan Solutions	-	-	-	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	80

**ATTACHMENT 2**  
**Cultural Affairs**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
50. Baseline Budget Status The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ 109,941	-	\$ 109,941	65
<b>Global Solutions</b>				
51. Employee Work Furloughs Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 443,239	-	\$ 443,239	-
<b>Other Changes or Adjustments</b>				
52. Reduce Cultural Affairs Special Appropriations Due to a lack of funds, decrease the Cultural Affairs Special Appropriations by \$590,059.	\$ 590,059	-	\$ 590,059	-
53. Increase Related Cost Reimbursement Transfer funding in the amount of \$300,000 from the cash balance of the Arts and Cultural Facilities Trust Fund, Fund 480 to increase the reimbursement of the General Fund for departmental related costs.	\$ -	300,000	\$ 300,000	-
<b>TOTAL CULTURAL AFFAIRS</b>	<b>\$ 1,143,239</b>	<b>300,000</b>	<b>\$ 1,443,239</b>	<b>65</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	1,033,298	300,000	1,333,298	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 1,143,239</b>	<b>300,000</b>	<b>\$ 1,443,239</b>	<b>65</b>

**ATTACHMENT 2**  
**Department on Disability**

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
54. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (79,571)	-	\$ (79,571)	19
<b>Global Solutions</b>				
55. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 85,751	-	\$ 85,751	-
<b>Other Changes or Adjustments</b>				
56. <b>Eliminate Community Affairs</b> Due to a lack of funds, decrease the department's baseline employment by one vacant Senior Personnel Analyst I position that supports the American's With Disabilities Act (ADA) Compliance Program. The position has been vacant since July 1, 2009 and will not be backfilled because of the Department's intention to reorganize and restructure its services within the remaining positions. Savings reflect full year savings.	\$ 96,112	-	\$ 96,112	(1)
<b>TOTAL DEPARTMENT ON DISABILITY</b>	<b>\$ 102,292</b>	<b>-</b>	<b>\$ 102,292</b>	<b>18</b>

<b>2009-10 Baseline Budget Status</b>	\$ (79,571)	-	\$ (79,571)	19
Operational Plan Solutions	181,863	-	181,863	(1)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 102,292</b>	<b>-</b>	<b>\$ 102,292</b>	<b>18</b>

**ATTACHMENT 2**  
**El Pueblo de Los Angeles**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
57. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (98,523)	-	\$ (98,523)	18
<b>Global Solutions</b>				
58. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 137,336	-	\$ 137,336	-
<b>Targeted Separations</b>				
59. <b>Achieved Voluntary Employee Separations</b> Since July 1st, one employee has separated from the Department. The Department has no intent to backfill this separation. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 47,747	-	\$ 47,747	(1)
<b>Increased Sources of Funds</b>				
60. <b>Prior Year Unanticipated Revenue</b> Recognize \$103,513 in unanticipated 2008-09 revenues not accounted for in the 2009-10 Adopted Budget.	\$ -	103,513	\$ 103,513	-
<b>Other Changes or Adjustments</b>				
61. <b>Adopted Budget Savings</b> Implement the 2009-10 Adopted Budget reduction of one position in History and Museums and one position in Marketing and Events. The reduction has been postponed pending a decision on the ERIP/Coalition Agreement.	\$ 50,776	-	\$ 50,776	(2)
62. <b>As-Needed Reduction</b> Reduce the Salaries As-Needed account by \$46,212 to reflect reduced museum hours and reduced filming and special event staffing.	\$ 46,212	-	\$ 46,212	-
<b>TOTAL EL PUEBLO DE LOS ANGELES</b>	<b>\$ 183,548</b>	<b>103,513</b>	<b>\$ 287,061</b>	<b>15</b>

<b>2009-10 Baseline Budget Status</b>	<b>\$ (98,523)</b>	<b>-</b>	<b>\$ (98,523)</b>	<b>18</b>
Operational Plan Solutions	282,071	103,513	385,584	(3)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 183,548</b>	<b>103,513</b>	<b>\$ 287,061</b>	<b>15</b>

**ATTACHMENT 2**  
**Emergency Management**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
63. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (656,020)	-	\$ (656,020)	27
<b>Global Solutions</b>				
64. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 258,908	-	\$ 258,908	-
<b>Targeted Separations</b>				
65. <b>Communications</b> Due to lack of funds, decrease the department's baseline employment by one employee in the Communications Division. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 34,896	-	\$ 34,896	(1)
66. <b>Operations</b> Due to a lack of funds, decrease the department's baseline employment by one position in the Operations Division. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 39,834	-	\$ 39,834	(1)
<b>Increased Sources of Funds</b>				
67. <b>Homeland Security Grant Appropriations</b> The Department anticipates receipt of \$582,726 in various Homeland Security Grant appropriations, including \$23,276 from the 2006 Urban Areas Security Initiative Grant (UASI), \$214,020 from the 2007 UASI Grant, and \$345,430 from the Regional Catastrophic Preparedness Grant Program.	\$ 582,726	-	\$ 582,726	-
<b>Other Changes or Adjustments</b>				
68. <b>Emergency Operations Fund</b> The Emergency Operations Fund received from the General Fund a 2008-09 interim appropriation of \$469,700 for Contractual Services. As these funds have not yet been expended, revert these funds to the Reserve Fund.	\$ -	469,700	\$ 469,700	-
<b>TOTAL EMERGENCY MANAGEMENT</b>	<b>\$ 260,344</b>	<b>469,700</b>	<b>\$ 730,044</b>	<b>25</b>
<hr/>				
2009-10 Baseline Budget Status	\$ (656,020)	-	\$ (656,020)	27
Operational Plan Solutions	916,364	469,700	1,386,064	(2)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 260,344</b>	<b>469,700</b>	<b>\$ 730,044</b>	<b>25</b>

**ATTACHMENT 2**  
**Employee Relations Board**

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
69. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (22,515)	-	\$ (22,515)	3
<b>Global Solutions</b>				
70. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 21,680	-	\$ 21,680	-
<b>Other Changes or Adjustments</b>				
71. <b>Voluntary Work Furloughs</b> The Executive Director is currently taking voluntary furloughs, which are expected to generate additional salary savings of \$835 during the fiscal year.	\$ 835	-	\$ 835	-
<b>TOTAL EMPLOYEE RELATIONS BOARD</b>	\$ -	-	\$ -	3
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	22,515	-	22,515	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	3

**ATTACHMENT 2**  
**Environmental Affairs**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
72. Baseline Budget Status The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (162,292)	-	\$ (162,292)	29
<b>Global Solutions</b>				
73. Employee Work Furloughs Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 153,028	-	\$ 153,028	-
<b>TOTAL ENVIRONMENTAL AFFAIRS</b>	<b>\$ (9,264)</b>	<b>-</b>	<b>\$ (9,264)</b>	<b>29</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	153,028	-	153,028	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (9,264)</b>	<b>-</b>	<b>\$ (9,264)</b>	<b>29</b>

**ATTACHMENT 2**  
**Ethics Commission**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
74. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (505,162)	-	\$ (505,162)	26
<b>Global Solutions</b>				
75. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 220,071	-	\$ 220,071	-
<b>Targeted Separations</b>				
76. <b>Achieved Voluntary Employee Separations</b> Since July 1st, two employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 150,246	-	\$ 150,246	(2)
77. <b>Additional Staff Reduction</b> Due to a lack of funds, decrease the Department's baseline employment by one employee. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 22,681	-	\$ 22,681	(1)
<b>Other Changes or Adjustments</b>				
78. <b>Contractual Services Reduction</b> The Department will reduce expenditures in the Contractual Services Account by \$90,178 to offset the Department's overall shortfall.	\$ 90,178	-	\$ 90,178	-
79. <b>Staff Adjustments</b> Due to a lack of funds, two position classifications were downgraded and will result in a net salary savings of \$21,986.	\$ 21,986	-	\$ 21,986	-
<b>TOTAL ETHICS COMMISSION</b>	\$ -	-	\$ -	23
<b>2009-10 Baseline Budget Status</b>				
2009-10 Baseline Budget Status	\$ (505,162)	-	\$ (505,162)	26
Operational Plan Solutions	505,162	-	505,162	(3)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	23

## ATTACHMENT 2

## Finance

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
80. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (4,111,330)	-	\$ (4,111,330)	377
<b>Global Solutions</b>				
81. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 2,690,371	(15,000,000)	\$ (12,309,629)	-
<b>Targeted Separations</b>				
82. <b>Achieved Voluntary Employee Separations</b> Since July 1st, three employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 149,076	-	\$ 149,076	(3)
83. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated one voluntary employee separation through the end of the fiscal year. The Department requests to backfill this position. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council.	\$ 59,760	-	\$ 59,760	(1)
84. <b>General Finance Support Activities</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing various support activities for Finance. Eight months of current year savings are reflected, as layoffs may be processed immediately for the targeted classifications.	\$ 39,620	-	\$ 39,620	(2)
85. <b>Document Maintenance Services</b> Due to a lack of funds, decrease the Department's baseline employment by four employees supporting document maintenance. Because of the time required for Personnel Department to process layoffs, the amount for two positions reflects five months of current year savings. The remaining two positions reflect eight months in current year savings, as layoffs may be processed immediately for the targeted classifications. The Department has requested an exchange for these positions with an add-back of Customer Service Specialists.	\$ 85,452	-	\$ 85,452	(4)
86. <b>Renewals</b> Due to a lack of funds, decrease the Department's baseline employment by one employee assigned to the Renewals Section of the Internal Billing and Processing Unit. Eight months of current year savings are reflected, as layoffs may be processed immediately for the targeted classifications.	\$ 19,205	-	\$ 19,205	(1)
87. <b>Teller Unit</b> Due to a lack of funds, decrease the Department's baseline employment by one employee assigned to the Teller Unit. Eight months of current year savings are reflected, as layoffs may be processed immediately for the targeted classifications. The Department requested to exchange this position with an add back of Customer Service Specialist.	\$ 19,205	-	\$ 19,205	(1)

**ATTACHMENT 2**

**Finance**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Targeted Separations</b>				
<b>88. Operations Support Realignment</b> Due to a lack of funds, decrease the Department's baseline employment by two employees assigned to the Customer Operations/Support Unit. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings for one position. One position reflects eight months of current year savings, as this layoff may be processed immediately for the targeted classifications.	\$ 49,987	-	\$ 49,987	(2)
<b>89. Supervisory Realignment</b> The Department will restructure the office by consolidating the Special Desks Unit and the Call Center, resulting in the removal of one supervisor position. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 24,963	-	\$ 24,963	(1)
<b>Other Changes or Adjustments</b>				
<b>90. Credit Card Convenience Fee</b> Currently, taxpayers may pay City taxes via cash, check, electronic funds transfer, or a credit card (Visa, Mastercard, Discover and American Express). For each credit card transaction, the City is charged a fee by the merchant card company ranging from 0.07 percent to 2.15 percent, which have historically been absorbed by the City. These fees are paid through a combination of interest credits for a compensating balance with our banks (Bank of America, Wachovia, Wells Fargo) and an appropriation in the Treasurer's Bank Services Fees account. These merchant card fees will now be passed on to the taxpayer in order to achieve cost savings in bank services fees (estimated at \$1.05 million).	\$ 1,050,000	-	\$ 1,050,000	-
<b>91. Hiring Delays</b> Additional savings have been identified as a result of hiring delays.	\$ 246,063	-	\$ 246,063	-
<b>TOTAL FINANCE</b>	\$ 322,372	(15,000,000)	\$ (14,677,628)	362
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	4,433,702	(15,000,000)	(10,566,298)	(15)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 322,372	(15,000,000)	\$ (14,677,628)	362

## ATTACHMENT 2

## Fire

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
92. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,666,690)	-	\$ (1,666,690)	367
<b>Global Solutions</b>				
93. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 2,045,174	-	\$ 2,045,174	-
<b>TOTAL FIRE</b>	\$ 378,484	-	\$ 378,484	367

2009-10 Baseline Budget Status	\$ (1,666,690)	-	\$ (1,666,690)	367
Operational Plan Solutions	2,045,174	-	2,045,174	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 378,484</b>	<b>-</b>	<b>\$ 378,484</b>	<b>367</b>

**ATTACHMENT 2**  
**General Services**

Operational Plan Items	Amounts		Net	Emp. Level
	Expenditure	Revenue		
<b>Baseline Budget Status</b>				
94. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (22,403,135)	-	\$ (22,403,135)	2,081
<b>Global Solutions</b>				
95. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 10,690,800	-	\$ 10,690,800	-
<b>Targeted Separations</b>				
96. <b>Achieved Voluntary Employee Separations</b> Since July 1st, 11 employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 830,484	-	\$ 830,484	(11)
97. <b>Standards</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing Standards Service. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 262,781	-	\$ 262,781	(8)
98. <b>General Administrative and Support Services</b> Due to a lack of funds, decrease the Department's baseline employment by 25 employees performing General Administrative and Support Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 758,913	-	\$ 758,913	(25)
99. <b>Facilities Management - Parking Services</b> Due to a lack of funds, decrease the Department's baseline employment by 12 employees performing Parking Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 161,947	(80,000)	\$ 81,947	(12)
100. <b>Mail Services Division</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing Mail Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 139,528	-	\$ 139,528	(8)
101. <b>Asset Management</b> Due to a lack of funds, decrease the Department's baseline employment by 10 employees performing Asset Management Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 327,753	-	\$ 327,753	(10)
102. <b>Custodial Services</b> Due to a lack of funds, decrease the Department's baseline employment by 72 employees performing Custodial Services. Because of the time required for Personnel Department to process layoffs, the amount reflects eight months of current year savings.	\$ 1,813,180	-	\$ 1,813,180	(72)

**ATTACHMENT 2**  
**General Services**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Targeted Separations</b>				
103. <b>Supply Services</b> Due to a lack of funds, decrease the Department's baseline employment by 38 employees performing Supply Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 936,292	-	\$ 936,292	(38)
104. <b>Building Maintenance</b> Due to a lack of funds, decrease the Department's baseline employment by 28 employees performing Building Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 852,039	-	\$ 852,039	(28)
105. <b>Security Services</b> Due to a lack of funds, decrease the Department's baseline employment by 17 employees performing Security Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 346,140	-	\$ 346,140	(17)
106. <b>Fleet Services</b> Due to a lack of funds, decrease the Department's baseline employment by 23 employees performing Fleet Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 612,031	-	\$ 612,031	(23)
<b>Increased Sources of Funds</b>				
07. <b>Reimbursements for Various Projects</b> Recognize anticipated funding from various projects.	\$ -	1,827,792	\$ 1,827,792	-
<b>Other Changes or Adjustments</b>				
108. <b>Related Savings from Employee Work Furloughs</b> The Department will generate savings in the Contractual Services Account as a result of closing various facilities due to the City's Work Furlough Program. Includes a transfer of funds from the Water and Electricity Fund.	\$ 1,961,734	-	\$ 1,961,734	-
109. <b>Reductions in Expense Accounts</b> Reduce various expense accounts including Utilities Private Expense, Contractual Services and Operating Supplies accounts.	\$ 1,134,723	-	\$ 1,134,723	-
<b>TOTAL GENERAL SERVICES</b>	<b>\$ (1,574,790)</b>	<b>1,747,792</b>	<b>\$ 173,002</b>	<b>1,829</b>

<b>2009-10 Baseline Budget Status</b>	\$ (22,403,135)	-	\$ (22,403,135)	2,081
Operational Plan Solutions	20,828,345	1,747,792	22,576,137	(252)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (1,574,790)</b>	<b>1,747,792</b>	<b>\$ 173,002</b>	<b>1,829</b>

**ATTACHMENT 2**  
**Housing Department**

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
110. Baseline Budget Status	\$ -	-	\$ -	529
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.				
<b>Global Solutions</b>				
111. Employee Work Furloughs	\$ -	(2,151,020)	\$ (2,151,020)	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.				
<b>Increased Revenues</b>				
112. Anticipated Hires and Transfer Opportunities	\$ -	1,016,700	\$ 1,016,700	-
The Department anticipates realizing special fund savings in the Salaries-General Account due to vacancies. However, there are 21 common classification vacancies that could be filled by employees who might otherwise be displaced. In addition, nine vacancies are for specialized classifications. The amount reflects lost revenue to the General Fund as related cost reimbursements.				
113. Transfer Opportunities - Inspectors	\$ -	106,532	\$ 106,532	6
The Department identified six vacant specialized classifications that could be filled by employees at the Department of Building and Safety (DBS) who might otherwise be displaced. The Department is working with DBS to confirm that the placements are appropriate.				
<b>TOTAL HOUSING DEPARTMENT</b>	<b>\$ -</b>	<b>(1,027,788)</b>	<b>\$ (1,027,788)</b>	<b>535</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>529</b>
Operational Plan Solutions	-	(1,027,788)	(1,027,788)	6
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ -</b>	<b>(1,027,788)</b>	<b>\$ (1,027,788)</b>	<b>535</b>

ATTACHMENT 2  
Department of Human Services

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
114. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (201,380)	-	\$ (201,380)	29
<b>Global Solutions</b>				
115. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 186,755	-	\$ 186,755	-
<b>Other Changes or Adjustments</b>				
116. <b>Financial Management System Project</b> Recognize off-budget funding source (MICLA) and reimbursement for the Financial Management System Project, which will supplement salary funding during 2009-10.	\$ 52,471	-	\$ 52,471	-
117. <b>As-Needed Salaries</b> The Department will reduce expenditures in the Salaries As-Needed account by \$25,000 to partially offset the City's overall current year shortfall.	\$ 25,000	-	\$ 25,000	-
<b>TOTAL DEPARTMENT OF HUMAN SERVICES</b>	<b>\$ 62,846</b>	<b>-</b>	<b>\$ 62,846</b>	<b>29</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	264,226	-	264,226	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 62,846</b>	<b>-</b>	<b>\$ 62,846</b>	<b>29</b>

**ATTACHMENT 2**  
**Information Technology Agency**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
118. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (12,563,664)	-	\$ (12,563,664)	723
<b>Global Solutions</b>				
119. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 6,444,788	(426,167)	\$ 6,018,621	-
<b>Targeted Separations</b>				
120. <b>Achieved Voluntary Employee Separations</b> Since July 1st, eight employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs. In addition, one employee has returned from leave.	\$ 456,116	-	\$ 456,116	(8)
121. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated four voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 216,181	-	\$ 216,181	(4)
122. <b>Adopted Budget Layoff Savings</b> Implement the 2009-10 Adopted Budget reduction of 22 positions. The reduction has been postponed pending a decision on the Early Retirement Incentive Program/Coalition Agreement.	\$ 1,153,524	53,938	\$ 1,207,462	(22)
123. <b>Financial Management Information System</b> Due to a lack of funds, decrease the Department's baseline employment by one employee performing support of the legacy Financial Management Information System. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 37,504	-	\$ 37,504	(1)
124. <b>Finance and Administrative Support</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing support of the department's financial and administrative functions. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 215,134	-	\$ 215,134	(8)
125. <b>Strategic Planning and Policy Support</b> Due to a lack of funds, decrease the Department's baseline employment by four employees performing support of the Department's strategic planning and policy development. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 194,619	-	\$ 194,619	(4)

**ATTACHMENT 2**  
**Information Technology Agency**

Operational Plan Items	Amounts			Emp. Level	
	Expenditure	Revenue	Net		
<b>Targeted Separations</b>					
126. <b>Business Systems Support</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing support of the mainframe applications. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 90,106	-	\$ 90,106	(2)	
127. <b>E-Forms Program</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing support of the Department's E-Forms Program. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 86,763	-	\$ 86,763	(2)	
128. <b>Inventory Consolidation</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing communications equipment inventory support. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 46,669	-	\$ 46,669	(2)	
129. <b>Supply Management System Support</b> Due to a lack of funds, decrease the Department's baseline employment by one employee performing support of the Supply Management System (SMS). Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 33,880	-	\$ 33,880	(1)	
130. <b>ServiceDesk Online System Support</b> Due to a lack of funds, decrease the Department's baseline employment by one employee performing support of the ServiceDesk Online System (SOS). Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 42,558	-	\$ 42,558	(1)	
131. <b>Shop Services Support</b> Due to a lack of funds, decrease the Department's baseline employment by five employees performing shop services support. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 160,481	-	\$ 160,481	(5)	
132. <b>Executive Desktop Support</b> Due to a lack of funds, decrease the Department's baseline employment by six employees performing executive level desktop support. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 245,785	-	\$ 245,785	(6)	

**ATTACHMENT 2**  
**Information Technology Agency**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Targeted Separations</b>				
133. <b>Audio and Video Support</b> Due to a lack of funds, decrease the Department's baseline employment by four employees performing audio and video equipment coordination and use. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 152,641	-	\$ 152,641	(4)
134. <b>Police and Fire Application Support</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing support of Police and Fire Department applications. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 87,999	-	\$ 87,999	(2)
135. <b>Citywide Geographic Information System</b> Due to a lack of funds, decrease the Department's baseline employment by four employees performing support for the Citywide Geographic Information System. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 177,477	-	\$ 177,477	(4)
136. <b>LA CityView Channel 35</b> Due to a lack of funds, decrease the department's baseline employment by 15 employees performing support of LA CityView Channel 35. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 474,129	-	\$ 474,129	(15)
137. <b>Building and Safety Support</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing support for the Department of Building and Safety. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ -	(107,420)	\$ (107,420)	(3)
138. <b>Network Engineering and Operations</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing telecommunications bill analysis. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 72,368	-	\$ 72,368	(2)
<b>Increased Sources of Funds</b>				
139. <b>Anticipated Reappropriation</b> Council approved in concept a \$2,200,000 reappropriation of surplus funds from the Department's 2008-09 Budget to its 2009-10 Salaries account. It is anticipated that this appropriation will occur through the First Financial Status Report.	\$ 2,200,000	-	\$ 2,200,000	-

**ATTACHMENT 2**  
**Information Technology Agency**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Increased Revenues</b>				
140. Channel 36 Reduction Due to a lack of funds, the \$300,000 appropriation in the Telecommunications Development Account for Channel 36 operations is eliminated. The amount will instead be added to the annual transfer from the Telecommunications Development Account to the General Fund.	\$ -	300,000	\$ 300,000	-
<b>Other Changes or Adjustments</b>				
141. Communications Services Reductions The department is seeking to eliminate unused telephone lines and projects generating savings in its communications services account of \$480,000. These savings can be used to offset the City's overall current year shortfall.	\$ 480,000	-	\$ 480,000	-
<b>TOTAL INFORMATION TECHNOLOGY AGENCY</b>	<b>\$ 505,058</b>	<b>(179,649)</b>	<b>\$ 325,409</b>	<b>627</b>

<b>2009-10 Baseline Budget Status</b>	<b>\$ (12,563,664)</b>	<b>-</b>	<b>\$ (12,563,664)</b>	<b>723</b>
Operational Plan Solutions	13,068,722	(179,649)	12,889,073	(96)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 505,058</b>	<b>(179,649)</b>	<b>\$ 325,409</b>	<b>627</b>

## ATTACHMENT 2

## Mayor

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
142. Baseline Budget Status	\$ -	-	\$ -	83
The adopted budgets of the Mayor and City Council include a 14% salary reduction which will be achieved through a combination of salary reductions, furloughs or layoffs to achieve balanced budgets.				
<b>TOTAL MAYOR</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>83</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	-	-	-	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>83</b>

**ATTACHMENT 2**  
**Neighborhood Empowerment**

Operational Plan Items	Amounts		Net	Emp. Level
	Expenditure	Revenue		
<b>Baseline Budget Status</b>				
143. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (559,202)	-	\$ (559,202)	43
<b>Global Solutions</b>				
144. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 354,140	-	\$ 354,140	-
<b>Targeted Separations</b>				
145. <b>Achieved Voluntary Employee Separations</b> Since July 1st, three employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 247,761	-	\$ 247,761	(3)
146. <b>Staffing and Bonus Reductions</b> Due to lack of funds, eliminate bilingual bonuses and reduce staffing by eight positions in the following programs: Neighborhood Council System Development, Neighborhood Council Funding Program, Planning and Policy, and General Administration and Support.	\$ 320,499	-	\$ 320,499	(8)
<b>TOTAL NEIGHBORHOOD EMPOWERMENT</b>	<b>\$ 363,198</b>	<b>-</b>	<b>\$ 363,198</b>	<b>32</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	922,400	-	922,400	(11)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 363,198</b>	<b>-</b>	<b>\$ 363,198</b>	<b>32</b>

**ATTACHMENT 2**

**Personnel**

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
147. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (5,277,916)	-	\$ (5,277,916)	487
<b>Global Solutions</b>				
148. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 3,601,115	-	\$ 3,601,115	-
<b>Targeted Separations</b>				
149. <b>Achieved Voluntary Employee Separations</b> Since July 1st, five employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 379,946	-	\$ 379,946	(5)
<b>TOTAL PERSONNEL</b>	<b>\$ (1,296,855)</b>	<b>-</b>	<b>\$ (1,296,855)</b>	<b>482</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	<b>\$ (5,277,916)</b>	<b>-</b>	<b>\$ (5,277,916)</b>	<b>487</b>
Operational Plan Solutions	3,981,061	-	3,981,061	(5)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (1,296,855)</b>	<b>-</b>	<b>\$ (1,296,855)</b>	<b>482</b>

**ATTACHMENT 2**

**Planning**

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
150. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,434,858)	-	\$ (1,434,858)	305
<b>Global Solutions</b>				
151. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 2,323,666	-	\$ 2,323,666	-
<b>Targeted Separations</b>				
152. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated eight voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 651,086	-	\$ 651,086	(8)
<b>Other Changes or Adjustments</b>				
153. <b>Building and Safety Enterprise Fund</b> Delete five months funding for four full-time and two half-time positions that provide systems support to the Department of Building and Safety. Although this action results in a decrease in funding provided by the Building and Safety Enterprise Fund, there is no net change in employment provided that savings from the City Planning Systems Development Fund offset the shortfall.	\$ -	-	\$ -	-
<b>TOTAL PLANNING</b>	<b>\$ 1,539,894</b>	<b>-</b>	<b>\$ 1,539,894</b>	<b>297</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	<b>\$ (1,434,858)</b>	<b>-</b>	<b>\$ (1,434,858)</b>	<b>305</b>
<b>Operational Plan Solutions</b>	<b>2,974,752</b>	<b>-</b>	<b>2,974,752</b>	<b>(8)</b>
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 1,539,894</b>	<b>-</b>	<b>\$ 1,539,894</b>	<b>297</b>

## ATTACHMENT 2

## Police

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
154. Baseline Budget Status	\$ (31,719,900)	-	\$ (31,719,900)	3,269
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.				
<b>Global Solutions</b>				
155. Employee Work Furloughs	\$ 22,100,000	-	\$ 22,100,000	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.				
<b>Targeted Separations</b>				
156. Achieved Voluntary Employee Separations	\$ 6,232,000	-	\$ 6,232,000	(47)
Since the budget was adopted, 47 employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.				
157. Expected Voluntary Employee Separations	\$ 2,593,000	-	\$ 2,593,000	(115)
The Department reports an estimated 220 voluntary employee separations through the end of the fiscal year resulting in additional savings. Of this 220, the Department intends to backfill 105 positions, for a net of 115. Actual separations and backfills will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will reduce backfills and/or process sufficient layoffs to achieve this savings amount.				
<b>TOTAL POLICE</b>	<b>\$ (794,900)</b>	<b>-</b>	<b>\$ (794,900)</b>	<b>3,107</b>
<hr/>				
2009-10 Baseline Budget Status	\$ (31,719,900)	-	\$ (31,719,900)	3,269
Operational Plan Solutions	30,925,000	-	30,925,000	(162)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (794,900)</b>	<b>-</b>	<b>\$ (794,900)</b>	<b>3,107</b>

**ATTACHMENT 2**  
**Board of Public Works**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
158. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,893,125)	-	\$ (1,893,125)	132
<b>Global Solutions</b>				
159. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 636,036	(202,146)	\$ 433,890	-
<b>Targeted Separations</b>				
160. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated six voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 221,661	(71,186)	\$ 150,475	(6)
161. <b>Community Beautification Staff Reduction</b> Due to a lack of funds, decrease the department's baseline employment by two employees performing administrative services for the Community Beautification Program. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 59,048	-	\$ 59,048	(2)
162. <b>Board and Secretariat Staff Reduction</b> Due to a lack of funds, decrease the department's baseline employment by one employee performing clerical services for the Board Secretariat. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 15,352	(5,699)	\$ 9,653	(1)
163. <b>Office of Accounting Staff Reduction</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing accounting services for the Office of Accounting. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 211,993	(1,322)	\$ 210,671	(8)
<b>Increased Sources of Funds</b>				
164. <b>Interim Funding - Police Administration Building</b> Reduce the projected shortfall with anticipated interim funding from MICLA bond funds.	\$ 82,877	-	\$ 82,877	-
165. <b>Interim Funding - Prop Q</b> Reduce the projected shortfall with anticipated interim funding from Proposition Q bond funds.	\$ 82,877	-	\$ 82,877	-
166. <b>Interim Funding - Prop F</b> Reduce the projected shortfall with anticipated interim funding from Proposition F bond funds.	\$ 230,750	-	\$ 230,750	-

**ATTACHMENT 2**  
**Board of Public Works**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Increased Sources of Funds</b>				
167. Interim Funding - Prop O Reduce the projected shortfall with anticipated interim funding from Proposition O bond funds.	\$ 82,877	-	\$ 82,877	-
168. Interim Transfer - Seismic Bond Reduce the projected shortfall with anticipated interim funding from Seismic bond funds.	\$ 212,869	-	\$ 212,869	-
169. Interim Funding - Project Restore Director Reduce the projected shortfall with anticipated interim funding from Project Restore and the Seismic bond.	\$ 122,503	-	\$ 122,503	-
<b>Other Changes or Adjustments</b>				
170. Community Beautification Grant Reduction The Community Beautification Program will be suspended for 2009-10 resulting in a General Fund savings of \$525,000.	\$ 525,000	-	\$ 525,000	-
<b>TOTAL BOARD OF PUBLIC WORKS</b>	<b>\$ 590,718</b>	<b>(280,353)</b>	<b>\$ 310,365</b>	<b>115</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	<b>\$ (1,893,125)</b>	<b>-</b>	<b>\$ (1,893,125)</b>	<b>132</b>
Operational Plan Solutions	2,483,843	(280,353)	2,203,490	(17)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 590,718</b>	<b>(280,353)</b>	<b>\$ 310,365</b>	<b>115</b>

**ATTACHMENT 2**  
**Bureau of Contract Administration**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
171. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,789,534)	-	\$ (1,789,534)	360
<b>Global Solutions</b>				
172. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,883,452	(462,112)	\$ 1,421,340	-
<b>Targeted Separations</b>				
173. <b>Achieved Voluntary Employee Separations</b> Since July 1st, three employees have separated from the Department. The Department has no intent to backfill this separation. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 207,480	-	\$ 207,480	(3)
174. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated six voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 420,674	(105,168)	\$ 315,506	(6)
175. <b>Construction Inspection</b> Due to a lack of funds, decrease the Department's baseline employment by four employees performing Construction Inspection Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 149,240	-	\$ 149,240	(4)
<b>Increased Sources of Funds</b>				
176. <b>Interim Funding - Police Administration Building</b> Reduce the projected shortfall with anticipated interim funding from MICLA bond funds.	\$ 506,283	-	\$ 506,283	-
177. <b>Interim Funding - Fire Bond</b> Reduce the projected shortfall with anticipated interim funding from Fire bond funds.	\$ 263,881	-	\$ 263,881	-
178. <b>Interim Funding - Prop Q</b> Reduce the projected shortfall with anticipated interim funding from Proposition Q bond funds.	\$ 149,300	-	\$ 149,300	-
179. <b>Interim Funding - Library Bond</b> Reduce the projected shortfall with anticipated interim funding from Library bond funds.	\$ 52,931	-	\$ 52,931	-

## ATTACHMENT 2

TOTAL BUREAU OF CONTRACT ADMINISTRATION	\$ 1,843,707	(567,280)	\$ 1,276,427	347
2009-10 Baseline Budget Status	\$ (1,789,534)	-	\$ (1,789,534)	360
Operational Plan Solutions	3,633,241	(567,280)	3,065,961	(13)
2009-10 ADJUSTED BUDGET STATUS	\$ 1,843,707	(567,280)	\$ 1,276,427	347

**ATTACHMENT 2**  
**Bureau of Engineering**

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
180. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (9,207,874)	-	\$ (9,207,874)	953
<b>Global Solutions</b>				
181. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 3,604,146	-	\$ 3,604,146	-
<b>Targeted Separations</b>				
182. <b>Expected Voluntary Employee Separations</b> The Bureau reports an estimated two voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 160,881	-	\$ 160,881	(2)
183. <b>Achieved Voluntary Furlough Savings</b> The Bureau reports actual savings from the Voluntary Furlough Days program.	\$ 14,583	-	\$ 14,583	-
184. <b>Privately Financed Program Reduction</b> Due to lack of funds, decrease the department's baseline employment by one employee in the Central District Office.	\$ 45,804	-	\$ 45,804	(1)
<b>Increased Sources of Funds</b>				
185. <b>Interim Funding - Police Administration Building</b> Reduce the projected deficit with anticipated interim funding from MICLA bond funds.	\$ 831,996	-	\$ 831,996	-
186. <b>Interim Funding - Proposition Q Program</b> Reduce the projected deficit with anticipated interim funding from Proposition Q bond funds.	\$ 1,037,877	-	\$ 1,037,877	-
187. <b>Interim Funding - Storm Damage Repair Program</b> Reduce the projected deficit with interim funding from MICLA bond funds and the Public Works Trust Fund.	\$ 321,116	-	\$ 321,116	-
188. <b>Interim Funding - Proposition O Program</b> Reduce the projected deficit with anticipated interim funding from Proposition O bond funds.	\$ 1,700,000	-	\$ 1,700,000	-
189. <b>Interim Funding - Library Bond Program</b> Reduce the projected deficit with anticipated interim funding from Library bond funds.	\$ 59,691	-	\$ 59,691	-
190. <b>Interim Funding - Proposition F Fire Bond</b> Reduce the projected deficit with anticipated interim funding from Proposition F bond funds.	\$ 1,049,177	-	\$ 1,049,177	-

**ATTACHMENT 2**  
**Bureau of Engineering**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Increased Sources of Funds</b>				
191. <b>Interim Funding - Proposition F Animal Bond</b> Reduce the projected deficit with anticipated interim funding from Proposition F bond funds.	\$ 302,885	-	\$ 302,885	-
192. <b>Interim Funding - Bridge Improvement Program</b> Reduce the projected deficit with anticipated interim funding from Seismic bond funds.	\$ 2,100,000	-	\$ 2,100,000	-
193. <b>Interim Funding - MTA Metro Rail</b> Reduce the projected deficit with anticipated interim funding from Proposition A Fund.	\$ 210,550	-	\$ 210,550	-
194. <b>Interim Funding - Westfield Projects</b> Reduce the projected deficit with anticipated interim funding from Major Projects Review Trust Fund for the Westfield Century City and Valley projects.	\$ 109,683	-	\$ 109,683	-
195. <b>Interim Funding - Universal Projects</b> Reduce the projected deficit with anticipated interim funding from Major Projects Review Trust Fund for the Metro Universal Project and Universal City Vision Plan.	\$ 109,683	-	\$ 109,683	-
196. <b>Interim Funding - Expedited Plan and Development</b> Reduce the projected deficit with anticipated interim funding from Engineering Special Services Fund and Public Works Trust Fund for expedited plan check and development work.	\$ 600,000	-	\$ 600,000	-
<b>Other Changes or Adjustments</b>				
197. <b>West Los Angeles District Office Consolidation</b> Reduce funding from the General Fund with the closure of the West Los Angeles District Office and reassign eight positions to special funded programs.	\$ 460,390	-	\$ 460,390	-
198. <b>CD 14 Neighborhood City Hall Renovations</b> Reassign one position to special funded program and suspend renovation work after completion of seismic repairs.	\$ 75,585	-	\$ 75,585	-
199. <b>Swimming Pools Renovations</b> Reassign two positions to special funded programs and suspend renovations of three swimming pools - 109th Street, Costello and Lincoln.	\$ 133,734	-	\$ 133,734	-
<b>TOTAL BUREAU OF ENGINEERING</b>	<b>\$ 3,719,907</b>	<b>-</b>	<b>\$ 3,719,907</b>	<b>950</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	<b>\$ (9,207,874)</b>	<b>-</b>	<b>\$ (9,207,874)</b>	<b>953</b>
Operational Plan Solutions	12,927,781	-	12,927,781	(3)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 3,719,907</b>	<b>-</b>	<b>\$ 3,719,907</b>	<b>950</b>

ATTACHMENT 2  
Bureau of Sanitation

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Baseline Budget Status</b>						
200. Baseline Budget Status	\$	-	-	\$	-	2,719
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.						
<b>Global Solutions</b>						
201. Employee Work Furloughs	\$	-	(12,303,029)	\$	(12,303,029)	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.						
<b>TOTAL BUREAU OF SANITATION</b>						
	\$	-	(12,303,029)	\$	(12,303,029)	2,719
<hr/>						
2009-10 Baseline Budget Status	\$	-	-	\$	-	2,719
Operational Plan Solutions		-	(12,303,029)		(12,303,029)	-
2009-10 ADJUSTED BUDGET STATUS	\$	-	(12,303,029)	\$	(12,303,029)	2,719

**ATTACHMENT 2**  
**Bureau of Street Lighting**

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Baseline Budget Status</b>						
202. Baseline Budget Status	\$	-	-	\$	-	215
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.						
<b>Other Changes or Adjustments</b>						
203. LED Program	\$	-	284,524	\$	284,524	11
The Light Emitting Diode (LED) Conversion Program is the critical piece of the Bureau of Street Lighting's effort to keep the Street Lighting Maintenance Assessment Fund (SLMAF) from operating at a deficit. Allow the Bureau to fill and backfill the 11 resolution authority positions authorized in the 2009-10 Budget to ensure the program reaches its target without delays. Filling the positions will generate revenue to the General Fund for Related Costs.						
204. Gas Tax Project Reduction	\$	-	-	\$	-	-
Due to a lack of funds in the Special Gas Tax Street Improvement Fund, decrease the Bureau's Gas Tax appropriation and eliminate three vacant, partially Gas Tax-funded Street Lighting Engineering Associate II positions performing design and construction. This adjustment will not reduce the Bureau's baseline employment cost.						
<b>TOTAL BUREAU OF STREET LIGHTING</b>	<b>\$</b>	<b>-</b>	<b>284,524</b>	<b>\$</b>	<b>284,524</b>	<b>226</b>
<hr/>						
2009-10 Baseline Budget Status	\$	-	-	\$	-	215
Operational Plan Solutions		-	284,524		284,524	11
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$</b>	<b>-</b>	<b>284,524</b>	<b>\$</b>	<b>284,524</b>	<b>226</b>

**ATTACHMENT 2**  
**Bureau of Street Services**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
205. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (11,547,948)	-	\$ (11,547,948)	1,361
<b>Global Solutions</b>				
206. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Bureau will manage employee schedules to minimize service level impacts.	\$ 3,687,193	-	\$ 3,687,193	-
<b>Targeted Separations</b>				
207. <b>Achieved Voluntary Employee Separations</b> Since July 1st, 22 employees have separated from the Bureau. The backfilling of these separations is not anticipated. However, should backfills occur, they must be offset with a corresponding number of layoffs.	\$ 1,347,797	-	\$ 1,347,797	(22)
<b>Increased Sources of Funds</b>				
208. <b>Century City Traffic Protection Trust Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$14,500, from the Century City Neighborhood Traffic Protection Trust Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 14,500	-	\$ 14,500	-
209. <b>Subventions and Grants - Comm. Redel. Agency</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$1,430,000, from Subventions and Grants relative to CRA projects. These funds are expected to be transferred to the Salaries, General account in 2009-10.	\$ 1,430,000	-	\$ 1,430,000	-
210. <b>Street Furniture Revenue Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$325,000, from the Street Furniture Revenue Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 325,000	-	\$ 325,000	-
211. <b>Real Property Trust Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$715,000, from the Real Property Trust Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 715,000	-	\$ 715,000	-
212. <b>Community Development Trust Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$300,000, from the Community Development Trust Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 300,000	-	\$ 300,000	-
213. <b>MICLA Lease Revenue</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$513,423, from MICLA Lease Revenue. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 513,423	-	\$ 513,423	-

**ATTACHMENT 2**  
**Bureau of Street Services**

Operational Plan Items	Amounts		Net	Emp. Level
	Expenditure	Revenue		
<b>Increased Sources of Funds</b>				
214. <b>Special Parking Revenue Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$160,000, from the Special Parking Revenue Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 160,000	-	\$ 160,000	-
215. <b>Sewer Operations and Maintenance Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$16,250, from the Sewer Operations and Maintenance Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 16,250	-	\$ 16,250	-
216. <b>Subventions and Grants - Harbor</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$351,000, from Subventions and Grants relative to City Harbor projects. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 351,000	-	\$ 351,000	-
217. <b>Public Works Trust Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$638,400, from the Public Works Trust Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 638,400	-	\$ 638,400	-
218. <b>Special Gas Tax Improvement Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$2,145,000, from Special Gas Tax Improvement Fund. These funds are expected to be transferred to the Salaries, General account in 2009-10.	\$ 2,145,000	-	\$ 2,145,000	-
219. <b>American Recovery and Reinvestment Act of 2009</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$8,900,000, from the American Recovery and Reinvestment Act of 2009. These funds are expected to be transferred to the Salaries, General account in 2009-10.	\$ 8,900,000	-	\$ 8,900,000	-
<b>Other Changes or Adjustments</b>				
220. <b>Reimbursements for Various Projects</b> Recognize anticipated funding from various projects.	\$ -	-	\$ -	-
<b>TOTAL BUREAU OF STREET SERVICES</b>	<b>\$ 8,995,615</b>	<b>-</b>	<b>\$ 8,995,615</b>	<b>1,339</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	<b>\$ (11,547,948)</b>	<b>-</b>	<b>\$ (11,547,948)</b>	<b>1,361</b>
Operational Plan Solutions	20,543,563	-	20,543,563	(22)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 8,995,615</b>	<b>-</b>	<b>\$ 8,995,615</b>	<b>1,339</b>

**ATTACHMENT 2**  
**Transportation**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
221. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (10,620,530)	-	\$ (10,620,530)	1,607
<b>Global Solutions</b>				
222. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 8,065,516	(11,358,310)	\$ (3,292,794)	-
<b>Targeted Separations</b>				
223. <b>Reduction of Franchise/Taxicab Regulations Staff</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing Franchise and Taxicab Regulations Enforcement administration. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 94,828	-	\$ 94,828	(3)
224. <b>Reduction in General Fund Planning and Land Use</b> Due to a lack of funds, decrease the Department's baseline employment by one employee performing transit planning and land use services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 37,600	-	\$ 37,600	(1)
225. <b>Preferential/Overnight Parking Districts Staff</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing Preferential and Overnight Parking District support services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 239,451	-	\$ 239,451	(8)
226. <b>Parking Adjudication Support Services</b> Due to a lack of funds, decrease the Department's baseline employment by one employee performing parking adjudication support services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 34,973	-	\$ 34,973	(1)
227. <b>Neighborhood Traffic Management Studies</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing neighborhood traffic management and control studies. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 112,799	-	\$ 112,799	(3)
228. <b>General Funded Transportation Design</b> Due to a lack of funds, decrease the Department's baseline employment by ten employees performing General Funded transportation signal design and signal timing. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 345,752	-	\$ 345,752	(10)

**ATTACHMENT 2**  
**Transportation**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Targeted Separations</b>				
229. <b>Reduction in Technology Support</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing technology support services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 66,984	-	\$ 66,984	(3)
230. <b>Contract Administration and Facilities Mgmt</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing contract administration, facilities management and personnel services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 95,071	-	\$ 95,071	(3)
<b>Increased Sources of Funds</b>				
231. <b>Reimbursement from Other Funds</b> The Department anticipates an interim budget adjustment from other special funds. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 1,786,701	-	\$ 1,786,701	-
<b>Increased Revenues</b>				
232. <b>Reassignment of Special Services Traffic Officer</b> The Department reports an estimated \$5.6 million in increased parking citation revenue due to the reassignment of 37 Traffic Officers in the Special Traffic Services and Support Division to general duties in the Parking Enforcement Division.	\$ -	5,613,022	\$ 5,613,022	-
233. <b>Redeployment - Overnight Parking Enforcement</b> The Department reports an estimated \$1.2 million in increased parking citation revenue due to the redeployment of 29 Traffic Officers from an A.M. Shift to a new Centralized Overnight Response Team. The Department reports that 24-hour deployment of Traffic Officers will continue throughout the City.	\$ -	1,184,452	\$ 1,184,452	-
234. <b>Reassign Busiest Intersection Traffic Officers</b> The Department reports an estimated \$234 thousand in increased parking citation revenue due to the reassignment of 20 Traffic Officers providing traffic control at the City's 51 busiest intersections to general duties in the Parking Enforcement Division.	\$ -	233,901	\$ 233,901	-
<b>TOTAL TRANSPORTATION</b>	<b>\$ 259,145</b>	<b>(4,326,935)</b>	<b>\$ (4,067,790)</b>	<b>1,575</b>

2009-10 Baseline Budget Status	\$ (10,620,530)	-	\$ (10,620,530)	1,607
Operational Plan Solutions	10,879,675	(4,326,935)	6,552,740	(32)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 259,145</b>	<b>(4,326,935)</b>	<b>\$ (4,067,790)</b>	<b>1,575</b>

## ATTACHMENT 2

## Treasurer

Operational Plan Items	Expenditure	Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
235. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (304,442)	-	\$ (304,442)	39
<b>Global Solutions</b>				
236. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 298,335	-	\$ 298,335	-
<b>Other Changes or Adjustments</b>				
237. <b>Expense Savings</b> Transfer savings from various expense accounts to offset the department's remaining salary shortfall.	\$ 6,107	-	\$ 6,107	-
<b>TOTAL TREASURER</b>	\$ -	-	\$ -	39

2009-10 Baseline Budget Status	\$ (304,442)	- \$ (304,442)	39
Operational Plan Solutions	304,442	- 304,442	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	- \$ -	39

## ATTACHMENT 2

## Zoo

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
238. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ 961,184	-	\$ 961,184	219
<b>Global Solutions</b>				
239. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,331,295	-	\$ 1,331,295	-
<b>TOTAL ZOO</b>	\$ 2,292,479	-	\$ 2,292,479	219

2009-10 Baseline Budget Status	\$ 961,184	-	\$ 961,184	219
Operational Plan Solutions	1,331,295	-	1,331,295	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 2,292,479	-	\$ 2,292,479	219

## ATTACHMENT 2

## Library

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
240. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (6,362,900)	-	\$ (6,362,900)	1,371
<b>Global Solutions</b>				
241. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 6,309,710	-	\$ 6,309,710	-
<b>Other Changes or Adjustments</b>				
242. <b>Expense Accounts Reduction</b> Reduce various expense accounts and transfer \$939,425 to to be used to offset the city's overall current year shortfall.	\$ 53,190	-	\$ 53,190	-
<b>TOTAL LIBRARY</b>	\$ -	-	\$ -	1,371

2009-10 Baseline Budget Status	\$ (6,362,900)	-	\$ (6,362,900)	1,371
Operational Plan Solutions	6,362,900	-	6,362,900	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	1,371

**ATTACHMENT 2**  
**Recreation and Parks**

Operational Plan Items	Expenditure	Amounts Revenue	Net	Emp. Level
<b>Baseline Budget Status</b>				
243. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (16,756,819)	-	\$ (16,756,819)	1,890
<b>Global Solutions</b>				
244. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 10,911,608	-	\$ 10,911,608	-
<b>Targeted Separations</b>				
245. <b>Achieved Voluntary Employee Separations</b> Since July 1st, 23 employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 1,150,000	-	\$ 1,150,000	(23)
246. <b>Recreation Staff Reduction</b> Due to a lack of funds, decrease the Department's baseline employment by 35 employees performing recreation services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 804,071	-	\$ 804,071	(35)
<b>Other Changes or Adjustments</b>				
247. <b>Salaries As-Needed Adjustment</b> Due to lack of funds, decrease the Department's Salaries As-Needed account by ten percent.	\$ 3,891,140	-	\$ 3,891,140	-
<b>TOTAL RECREATION AND PARKS</b>	\$ -	-	\$ -	1,832

<b>2009-10 Baseline Budget Status</b>	\$ (16,756,819)	-	\$ (16,756,819)	1,890
Operational Plan Solutions	16,756,819	-	16,756,819	(58)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	1,832

## ATTACHMENT 2

## Citywide Civilian

Operational Plan Totals	Amounts			Emp. Level
	Expenditure	Revenue	Net	
2009-10 Baseline Budget Status	\$ (165,560,306)	-	\$ (165,560,306)	22,725
Operational Plan Solutions	185,569,003	(31,876,393)	153,692,610	(926)
2009-10 ADJUSTED BUDGET STATUS	\$ 20,008,697	(31,876,393)	\$ (11,867,696)	21,799

# **Early Retirement Incentive Program Study #4**

**City of Los Angeles  
City Council**

**September 15, 2009**

**Paul Angelo, FSA  
Andy Yeung, ASA  
The Segal Company  
San Francisco**

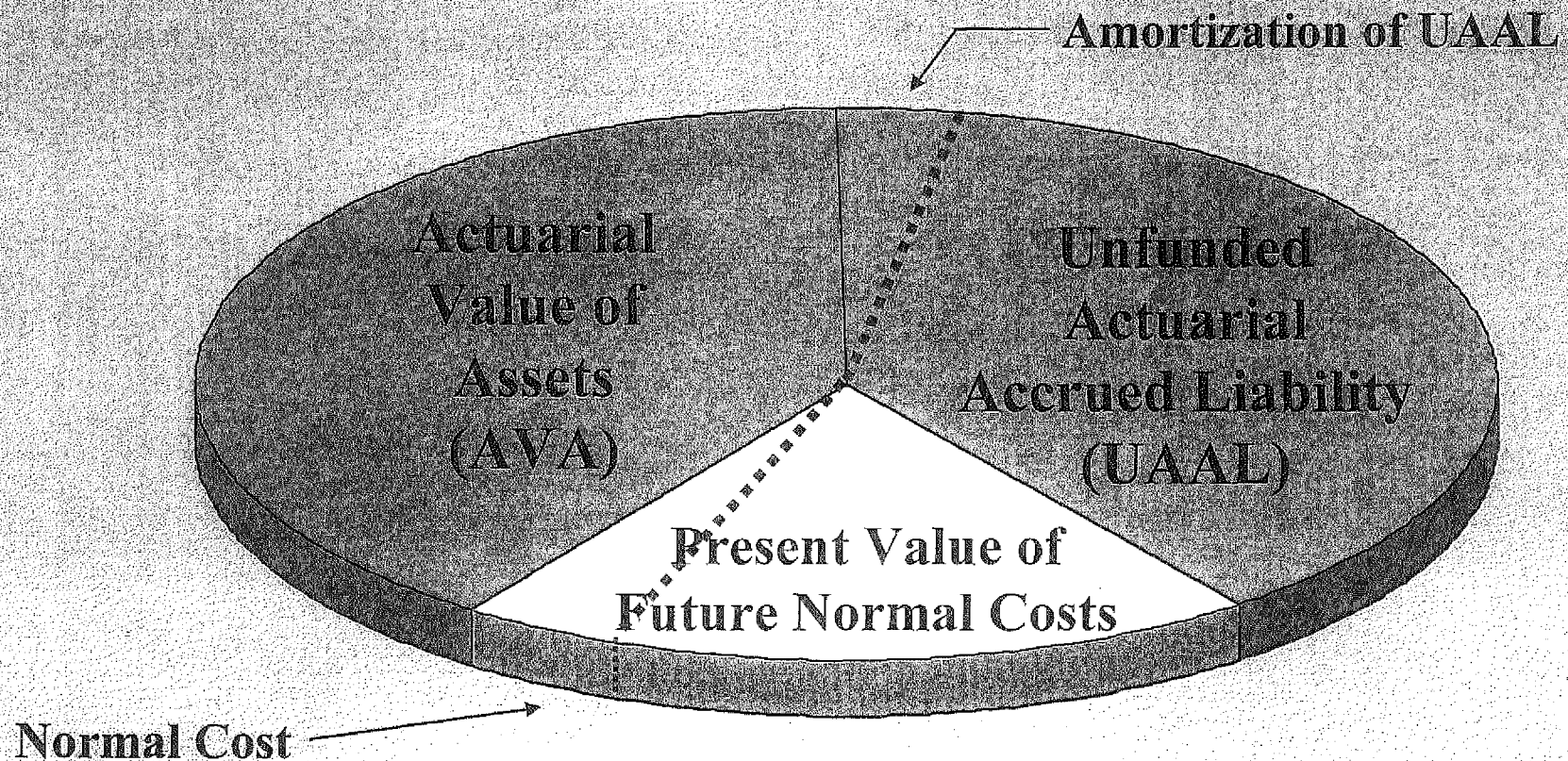
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**★ SEGAL | Los Angeles ERIP #4 – Sept. 15, 2009**

## Early Retirement Incentive (Window)

- Fourth in a series of studies requested by LA City (CAO and Mayor's Office)
  - ERI Program Study #4, July 30, 2009
- Five membership Groups each receive one of five benefit "Scenarios"
  - Groups 1 through 5 described on page 4
  - Benefit Scenarios A through E on page 5
- Two "take rate" alternatives
- Also "backfill" rates (used only for projections)

## Normal Cost and UAAL Cost



## Basic Funding Considerations

- Increased benefits means increased costs
- Increase in UAAL increases the City contributions
  - Relatively easy to measure once members elect
- Possible offsets to increased City contributions
  - Increased member contributions
    - Either to LACERS or to City
  - Salary concessions
    - Pay reductions, deferred COLAs

## Alternative ERIP City Amortization Costs

➤ Alternative 1 Take Rates (2,229 ERIP members):

➤ **UAAL Increase: \$250 million**

Amortization period:      5              8              10              **15**

Amortization cost:      2.86%    1.85%    1.51%    **1.07%**

➤ Alternative 2 Take Rates (2,763 ERIP members):

➤ **UAAL Increase: \$354 million**

Amortization period:      5              8              10              **15**

Amortization cost:      4.10%    2.64%    2.15%    **1.51%**

➤ Actual costs depend on actual ERIP members

➤ Does not include cost of cash incentives

## Alternative ERIP Member Payback Costs

➤ Alternative 1 Take Rates (2,229 ERIP members):

➤ **UAAL Increase: \$250 million**

Payback period:                      5                      8                      10                      15

Additional member cost:    3.44%    2.25%    1.85%    **1.32%**

➤ Alternative 2 Take Rates (2,763 ERIP members):

➤ **UAAL Increase: \$354 million**

Payback period:                      5                      8                      10                      15

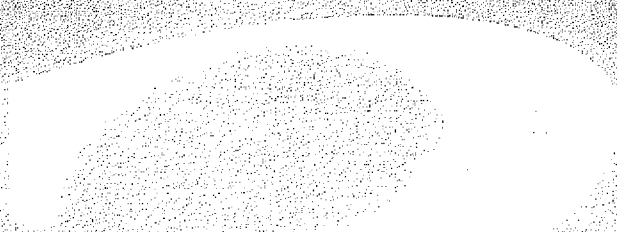
Additional member cost:    4.95%    3.22%    2.65%    **1.89%**

➤ Actual costs depend on actual ERIP members

➤ Does not include cost of cash incentives

## Funding ERIP with Member Contributions

- Suppose intent is to have members fund the ERIP
  - Increase in UAAL plus cash incentives
  - Well defined once actual ERIP elections are known
- Member costs will differ from City costs in report
  - Start date and timing of member contributions
    - One year lag for City, two year lag for members
  - Member contributions are refundable
- Member payments at 0.75% do not fund entire UAAL
  - Other savings may be considered by City



# QUESTIONS

Payroll After Enhancement (\$ in millions)										Cumulative Present Value		\$249.7m/\$353.6m Spread over PV Salary				
Alternative #1				Alternative #2												
Fiscal Year	Payroll		Cumulative Present Value	Payroll		Cumulative Present Value		Alt #1		Alt #2		Alt #1	Alt #2			
2009/2010	\$	1,887	\$	1,816	\$	1,847	\$	1,777	14							
2010/2011	\$	1,979	\$	3,579	\$	1,941	\$	3,507	15							
2011/2012	\$	2,075	\$	5,291	\$	2,037	\$	5,187	16							
2012/2013	\$	2,174	\$	6,951	\$	2,138	\$	6,820	16							
2013/2014	\$	2,279	\$	8,563	\$	2,244	\$	8,407	17							
2014/2015	\$	2,388	\$	10,127	\$	2,355	\$	9,950	18							
2015/2016	\$	2,503	\$	11,645	\$	2,471	\$	11,448	19	2011/2016	\$	8,066	\$	7,941	3.10%	4.45%
2016/2017	\$	2,623	\$	13,118	\$	2,593	\$	12,904	20							
2017/2018	\$	2,749	\$	14,547	\$	2,720	\$	14,318	21							
2018/2019	\$	2,880	\$	15,933	\$	2,854	\$	15,692	22	2011/2019	\$	12,354	\$	12,185	2.02%	2.90%
2019/2020	\$	3,018	\$	17,278	\$	2,995	\$	17,027	23							
2020/2021	\$	3,163	\$	18,584	\$	3,142	\$	18,323	24	2011/2021	\$	15,005	\$	14,817	1.66%	2.39%
2021/2022	\$	3,314	\$	19,850	\$	3,296	\$	19,583	25							
2022/2023	\$	3,472	\$	21,079	\$	3,458	\$	20,806	26							
2023/2024	\$	3,638	\$	22,270	\$	3,627	\$	21,995	27							
2024/2025	\$	3,812	\$	23,427	\$	3,805	\$	23,149	29							
2025/2026	\$	3,994	\$	24,548	\$	3,967	\$	24,263	30	2011/2026	\$	20,969	\$	20,756	1.19%	1.70%
										0.75%	157	156				
Discount factor for year 2025/2026				0.28083333				refundability factor		0.9						
C:\DOCUME~1\caouser\LOCALS~1\Temp\XPgrpwise\Cum_pvfsalary.xls]Sheet1							Adjusted 15 year values			\$	18,872	\$	18,681	1.32%	1.89%	
										0.75%	142	140				
							Adjusted 10 year values			\$	13,504	\$	13,335	1.85%	2.65%	
										0.75%	101	100				
							Adjusted 8 year values			\$	11,119	\$	10,967	2.25%	3.22%	
										0.75%	83	82				
							Adjusted 5 year values			\$	7,259	\$	7,147	3.44%	4.95%	
										0.75%	54	54				

JUNE LAGMAY  
CITY CLERK

KAREN E. KALFAYAN  
EXECUTIVE OFFICER

HOLLY L. WOLCOTT  
EXECUTIVE OFFICER

CITY OF LOS ANGELES  
CALIFORNIA



ANTONIO R. VILLARAIGOSA  
MAYOR

OFFICE OF THE  
CITY CLERK

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

September 11, 2009

The Honorable Antonio R. Villaraigosa, Mayor  
City Hall, Room 300  
Los Angeles, CA 90012

The Honorable Eric Garcetti, Council President  
c/o City Clerk, Room 395  
Los Angeles, CA 90012

The Honorable Bernard C. Parks, Chair, Budget and Finance Committee  
c/o City Clerk, Room 395  
Los Angeles, CA 90023

Re: Response to the September 11, 2009 CAO/CLA report, "2009-10 Budget Balancing  
Operation Plan"

Honorable Mayor and Members of the City Council:

As you know, the City Clerk sustained an operational 19% budget reduction for Fiscal Year 2009-10. In addition to identified staff reductions and funding, the City Clerk's office sustained a \$320,000 unspecified funding cut in the proposed budget as well as receiving only \$164,000 of the \$500,000 that was initially approved to restore Council support positions. (Note: Furloughs add a 10% reduction in service/productivity as well.)

We are painfully aware of the worsening financial condition of the City. However, we are deeply concerned that the "surplus amount of \$671,968" attributed to the City Clerk's Budget on Attachment 2 of the CAO/CLA report incorrectly overstates the amount of funding available and thus does not provide an accurate status of the City Clerk's Budget.

The "surplus amount of \$671,968" does not take into account our Office's obligation to pay required sick payouts, COLA payouts, and retirement payouts. These are real liabilities which must be paid out.

If this so-called "\$671,968 projected surplus" is transferred out of the City Clerk's budget, the City Clerk will be left with a substantial deficit and layoffs will be necessary. In order to achieve this surplus – which we do not have and will not have - it is estimated that **at least 10 existing employees would need to be laid off** (assuming the layoffs were to occur beginning January 1, 2010). This would require the elimination of entire functions, not merely the reduction of services, and this is not reflected in the CAO/CLA report.

We believe the most prudent analysis of the City Clerk's current financial condition utilizes the CAO's Salary Projection Workbook, as this analysis captures current data and appropriately projects it to the

end of the year. Attached is our salary projection workbook for Fiscal Year 2009-10 for your review. Included in the salary projection workbook is:

- A 10% reduction in salaries for all employees (assuming the ERIP is not approved) for the furlough program;
- The attrition of a Chief Management Analyst and a Senior Clerk Typist;
- The separation of 2 System Analyst II's;
- The deletion of a Chief of Creative Services, Senior Title Examiner, Senior Project Assistant, and System Analyst; and
- Maintaining 9 current vacancies with no anticipated hire dates.

This analysis projects that the City Clerk will have 133 employees including resolution authorities, the aforementioned estimated retirement payouts, accumulated sick leave payouts, COLA reimbursements for all Coalition of Union members retroactive to July 1st, the CAO's targeted reduction of \$671,968, and a transfer in of \$400,000 from the BID Trust Fund.

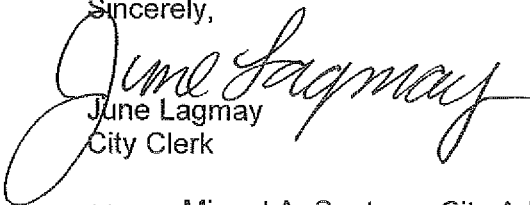
Projecting the math to its conclusion, **the resulting deficit is \$324,391**. In reality terms, at an average annual salary of \$77,962 per employee, this is equivalent to laying off 5 employees for an entire year, but, since any layoffs would not likely occur until January, projected layoffs for our Department would be 10 full-time employees. Inasmuch as most of the City Clerk functions are either Charter mandated or provide support to the Council and Mayor, direction is needed as to what services the City Clerk will no longer provide for lack of these employees.

One possible solution would be to add a line item to Attachment 2 of the CAO/CLA report under "37A" that reflects the City Clerk's additional projected deficit of (\$324,391). The end result would be a more accurate surplus of \$347,577 that can still be transferred to the Reserve Fund as opposed to the \$671,968 surplus indicated in the CAO/CLA Report.

Alternatively, if the amount of \$400,000 remains in the BID Trust Fund to offset Fiscal Year 2010-11 City Business Improvement District Assessments, which may reach \$1,000,000, and the \$671,968 surplus is removed from the Salary Projection Worksheet, the City Clerk would then have an estimated \$53,000 deficit for Fiscal Year 2009-10 which we would likely be able to absorb through attrition.

Thank you for the opportunity to present our view of the facts of this situation.

Sincerely,



June Lagmay  
City Clerk

cc: Miguel A. Santana, City Administrative Officer  
Gerry F. Miller, Chief Legislative Analyst

Attachment

JL:gp  
EXE-047-09

**FY 2008-09  
SALARY PROJECTION SUMMARY**

**Department**

**OFFICE OF THE CITY CLERK**

**Description**

**Data**

**Date**

08/31/08

**Salary Account**

1010

**Unpaid Workdays Remaining**

227

Total Available (APPR Table as of Date Shown) \$ 9,387,844

Unrecorded Transfers within the Department between  
Fund 100 Accounts \$ -

Unrecorded Transfers between Departments and  
Funds \$ 400,000

Unrecorded Fund Appropriations \$ -

**Estimated Available Balance** \$ 9,787,844

Total Committed Amt (APPR Table as of Date Shown) \$ 1,286,051

Current Employment Projected Remaining Expenditure \$ 8,076,371

Estimated Pay-outs from Salaries Account \$ 894,986

Projected Expenditure of Potential Hires \$ (145,174)

Projected Savings from Potential Attrition \$ -

Projected Expenditure of Potential Promotions \$ -

**Projected Expenditures** \$ 10,112,235

**Projected Surplus/(Deficit)** \$ (324,391)

**FMIS\_APPR****Department** OFFICE OF THE CITY CLERK**APPR TABLE DATA**

Description	Data
Date	08/31/08
Salary Account	1010
Total Available (as of Date Shown)	\$ 9,387,844
Total Committed Amt (as of Date Shown)	\$ 1,286,051
Uncommitted Balance	\$ 8,101,793

INTER

Department OFFICE OF THE CITY CLERK

### Unrecorded Transfers Between Departments and Funds

400,000

[illegible]

**ACTIVE\_EMP**

	A	B	C	D	E	F	G	H	I	J
1	Department					OFFICE OF THE CITY CLERK				
2	Unpaid Workdays Left in Fiscal Year					227				
3										
4										
5	Total Active Employee Count					135.00				
6	Current Employment Projected Remaining Expenditure					\$ 8,076,371				
7										
8										
9	Note	Full or Half Time	Code	PG	Classification Title	Active Employee Count	Average Hourly Rate	MOU	Total Hourly Rate	Projected Daily Expenditure
10		FT	1116	0	SECRETARY	2	25.50	3.00	50.99	408
11		FT	1117	2	EXEC SECRETARY II	1	30.69	37.00	30.69	246
12		FT	1117	3	EXEC SECRETARY III	1	32.90	37.00	32.90	263
13		FT	1119	1	ACCOUNTING REC SUPVR I	1	25.55	20.00	25.55	204
14		FT	1119	2	ACCOUNTING REC SUPVR II	1	33.54	20.00	33.54	268
15		FT	1170	1	PAYROLL SUPERVISOR I	1	32.72	20.00	32.72	262
16		FT	1182	1	LEGISLATIVE ASST I	6	42.63	1.00	255.80	2,046
17		FT	1182	2	LEGISLATIVE ASST II	7	47.13	1.00	329.94	2,640
18		FT	1201	0	PR CLERK	3	28.52	20.00	85.57	685
19		FT	1223	2	ACCOUNTING CLERK II	9	23.94	3.00	215.47	1,724
20		FT	1253	0	CHIEF CLERK	1	34.01	20.00	34.01	272
21		FT	1282	0	RECORDS MGMT OFFICER	1	51.79	36.00	51.79	414
22		FT	1358	0	CLERK TYPIST	4	19.27	3.00	77.09	617
23		FT	1368	0	SR CLERK TYPIST	30	23.38	3.00	701.32	5,611
24		FT	1409	1	INFORMATION SYS MGR I	1	52.46	8.00	52.46	420
25		FT	1431	3	PROGRAMMER/ANALYST III	1	37.86	8.00	37.86	303
26		FT	1431	5	PROGRAMMER/ANALYST V	1	46.63	8.00	46.63	373
27		FT	1455	1	SYSTEMS PROGRAMMER I	1	44.81	21.00	44.81	358
28		FT	1508	0	MANAGEMENT AIDE	1	25.66	1.00	25.66	205
29		FT	1513	2	ACCOUNTANT II	1	28.32	1.00	28.32	227
30		FT	1537	0	PROJECT COORDINATOR	6	31.73	1.00	190.37	1,523
31		FT	1538	0	SR PROJECT COORDINATOR	2	41.26	20.00	82.52	660
32		FT	1539	0	MANAGEMENT ASSISTANT	1	25.66	1.00	25.66	205
33		FT	1550	0	PROGRAM AIDE	2	19.59	1.00	39.19	313
34		FT	1596	2	SYSTEMS ANALYST II	1	32.38	1.00	32.38	259
35		FT	1597	1	SR SYSTEMS ANALYST I	1	42.68	20.00	42.68	341
36		FT	1597	2	SR SYSTEMS ANALYST II	2	52.82	20.00	105.64	845
37		FT	1714	1	PERSONNEL DIR I	1	51.80	-	51.80	414
38		FT	1832	2	WAREHOUSE & T/R WKR II	2	21.00	14.00	41.99	336
39		FT	1835	2	STOREKEEPER II	1	23.46	14.00	23.46	188
40		FT	1943	0	TITLE EXAMINER	2	29.07	21.00	58.14	465
41		FT	7204	0	CARTOGRAPHER	1	26.69	21.00	26.69	214
42		FT	7205	0	SR CARTOGRAPHER	1	29.75	21.00	29.75	238
43		FT	7212	2	OFFICE ENGRG TECH II	6	25.84	21.00	155.06	1,240
44		FT	7212	3	OFFICE ENGRG TECH III	1	29.07	21.00	29.07	233
45		FT	7224	0	CALLIGRAPHER	3	28.24	21.00	84.73	678
46		FT	7228	0	FIELD ENGINEER AIDE	1	32.08	21.00	32.08	257
47		FT	9171	1	SR MGMT ANALYST I	1	42.63	20.00	42.63	341
48		FT	9171	2	SR MGMT ANALYST II	5	52.81	20.00	264.06	2,112
49		FT	9182	0	CH MANAGEMENT ANALYST	2	60.60	36.00	121.20	970
50		HT	9184	1	MANAGEMENT ANALYST I	1	30.60	1.00	30.60	122

**ACTIVE\_EMP**

	A	B	C	D	E	F	G	H	I	J
1	Department					OFFICE OF THE CITY CLERK				
2										
3	Unpaid Workdays Left in Fiscal Year					227				
4										
5	Total Active Employee Count					135.00				
6										
7	Current Employment Projected Remaining Expenditure					\$ 8,076,371				
8										
9	Note	Full or Half Time	Code	PG	Classification Title	Active Employee Count	Average Hourly Rate	MOU	Total Hourly Rate	Projected Daily Expenditure
51		FT	9184	1	MANAGEMENT ANALYST I	1	30.60	1.00	30.60	245
52		FT	9184	2	MANAGEMENT ANALYST II	13	34.70	1.00	451.12	3,609
53		FT	9252	0	EXEC OFFICE CLERK	2	71.29	36.00	142.58	1,141
54		FT	9255	0	CITY CLERK	1	73.28	-	73.28	586
55		FT	9375	0	DIR OF SYSTEMS -SYS	1	62.24	36.00	62.24	498
56									-	-
57									-	-
58									-	-
59									-	-
60									-	-
61									-	-
62									-	-
63									-	-
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82									-	-
83									-	-
84									-	-
85									-	-
86									-	-
87									-	-
88									-	-
89									-	-
90									-	-
91									-	-

## HIRES

Department

OFFICE OF THE CITY CLERK

Unpaid Workdays Left in Fiscal Year

227

**Total Potential Hires Count**

-2

### Projected Expenditure of Potential Hires

\$ (145,174)

[illegible]

## PAY\_OUTS

Department

OFFICE OF THE CITY CLERK

### Estimated Pay-outs from Salaries Account

894,986

[illegible]

# WORKDAYS

Department

OFFICE OF THE CITY CLERK

FMIS APPR Date

08/31/08

Pay Period	Pay Period End Date	Workdays Within Pay Period	Date Pay Period Recorded in FMIS Ledger	Date Pay Period Reflected in FMIS APPR	Unpaid Workdays Left in Fiscal Year
1	07/05/08	4	07/14/08	07/15/08	0
2	07/19/08	10	07/28/08	07/29/08	0
3	08/02/08	10	08/11/08	08/12/08	0
4	08/16/08	10	08/25/08	08/26/08	0
5	08/30/08	10	09/08/08	09/09/08	10
6	09/13/08	10	09/22/08	09/23/08	10
7	09/27/08	10	10/06/08	10/07/08	10
8	10/11/08	10	10/20/08	10/21/08	10
9	10/25/08	10	11/03/08	11/04/08	10
10	11/08/08	10	11/17/08	11/18/08	10
11	11/22/08	10	12/01/08	12/02/08	10
12	12/06/08	10	12/15/08	12/16/08	10
13	12/20/08	10	12/29/08	12/30/08	10
14	01/03/09	10	01/12/09	01/13/09	10
15	01/17/09	10	01/26/09	01/27/09	10
16	01/31/09	10	02/09/09	02/10/09	10
17	02/14/09	10	02/23/09	02/24/09	10
18	02/28/09	10	03/09/09	03/10/09	10
19	03/14/09	10	03/23/09	03/24/09	10
20	03/28/09	10	04/06/09	04/07/09	10
21	04/11/09	10	04/20/09	04/21/09	10
22	04/25/09	10	05/04/09	05/05/09	10
23	05/09/09	10	05/18/09	05/19/09	10
24	05/23/09	10	06/01/09	06/02/09	10
25	06/06/09	10	06/15/09	06/16/09	10
26	06/20/09	10	06/29/09	06/30/09	10
	06/30/09	7	07/13/09	07/14/09	7
<b>Totals</b>		261			227

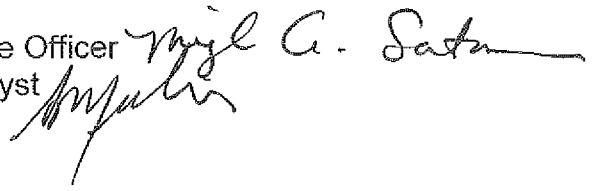
**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

0116-00001-0000

Date: September 11, 2009

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

From: Miguel A. Santana, City Administrative Officer  
Gerry F. Miller, Chief Legislative Analyst



Reference: 2009-10 Budget

Subject: **2009-10 BUDGET BALANCING OPERATIONAL PLAN (C.F. 09-0600-S137)****SUMMARY**

On August 3, 2009, the Budget and Finance Committee instructed the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA) to prepare a citywide operational plan to begin addressing the City's anticipated budget shortfall, and to report on labor negotiations and any other actions necessary to balance the 2009-10 Budget. Since the Mayor had instructed departments to perform a similar budgetary exercise in June 2009, the CAO and the CLA have worked with the Mayor's budget team to develop a single operational plan. This report provides the following:

- Overview of the City's current financial status;
- Analysis of how proposed actions being considered by the Mayor and Council would address the City's current financial status; and,
- Recommended actions to begin addressing the anticipated gap in the City's 2009-10 Budget

**The City's Current Financial Status**

In presenting the 2009-10 Proposed Budget, the Mayor identified a total budget gap of \$529 million. The budget gap was primarily due to an anticipated \$309 million decline in General Fund revenues and a nearly five percent increase in expenditures associated with maintaining current service levels. The Mayor's Proposed Budget addressed this budget gap through new/expanded revenue streams, efficiencies/reductions to services, and a \$231 million Shared Responsibility and Sacrifice (SRS) line item that represented approximately 10% of General Fund Salaries.

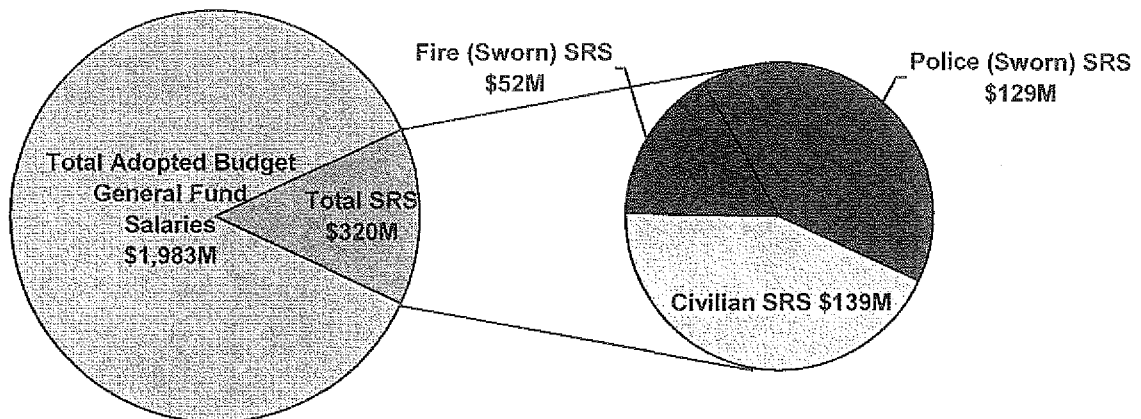
The City Council modified the Mayor's Proposed Budget by eliminating \$95 million of the new/expanded revenue streams item and increased the SRS by \$89 million. The 2009-10

**BUDGET & FINANCE**

SEP 11 2009

Adopted Budget SRS totals \$320 million and represents approximately a 14% reduction in General Fund Salaries as illustrated in Chart 1.

**CHART 1**  
**2009-10 ADOPTED BUDGET SALARIES AND SRS**



In addition to the SRS, the Budget includes additional, targeted salary reductions totaling approximately \$87 million. Due to delays in implementing some of these reductions, approximately \$10 million in salary savings will not be realized as anticipated in the current fiscal year.

Since adoption of the 2009-10 Budget, the financial status of the City has deteriorated over the last several months due to changing economic conditions.

#### State Budget

Ongoing weak economic conditions have resulted in significant revenue shortfalls to the State. The 2009-10 State Budget included an 8% borrowing of local property tax to the State with repayment by June 30, 2013, allowing local governments to securitize the State's promise to repay the loan. Issuance of bonds would mitigate the impact to the City. The State may also defer distribution of gas tax revenue allocation to the latter half of the fiscal year. Additional State actions to balance an estimated remaining \$1 billion shortfall in its budget may further impact the City's revenue.

#### Revenue

Programmed 2009-10 General Fund receipts will fall short of those anticipated in the Budget for the following reasons:

- Economists are now reporting that an economic recovery will begin in 2009 but will not be as quick as anticipated when the Budget was adopted;

- The Controller reports that 2008-09 actual General Fund receipts were \$36 million less than estimated in the Revised Budget. The shortfall was attributed to further deterioration in the local economy and real estate market during the last three months of 2008-09; and,
- Anticipated transfers from other funds to General Fund receipts did not occur before the end of the fiscal year.

Therefore, we estimate that current year General Fund receipts will fall approximately \$75 million below budget. Additional revenue detail is available in the CAO's First Financial Status Report.

#### Reserve Fund

The Controller reports that the available July 1, 2009, Reserve Fund balance is \$151.8 million. This is \$91.7 million less than the budgeted balance of \$243.5 million. This shortfall is primarily due to the following:

- A delayed transfer to the Reserve Fund from the Special Parking Revenue Fund (SPRF) which is currently under Council consideration; and,
- The \$47 million transfer to the Reserve Fund from current-year General Fund receipts not yet realized.

A strong Reserve Fund is necessary for two major reasons. First, the City needs reserves in order to respond quickly in event of a natural disaster. Unfortunately with the City's bi-weekly payroll averaging approximately \$110 million, the City would expend its reserves within a short period of time. Second, the major credit rating agencies, such as Fitch Ratings, Moody's Investors Service, and Standard and Poor's, use the Reserve Fund balance as a major criterion for rating the City's financial condition. As a general rule, credit rating agencies favor a Reserve Fund balance of 5% or more of revenues. The City's July 1, 2009, Reserve Fund balance is 3.45% without the SPRF surplus transfer. The City has already been placed on negative watch by Fitch.

The combination of these factors, including SRS, delays in implementing budget reductions, and revised revenue estimates, have resulted in an overall anticipated budgetary shortfall of \$405 million.

#### **Analysis of Proposed Actions**

On May 18, 2009, the Mayor and Council declared a fiscal emergency and adopted an ordinance to allow for the quick implementation of budget balancing solutions. Budget balancing solutions fall under two major categories:

- Unilateral Mayor and Council (Management) actions; and,
- Joint labor and Management actions

After much discussion with labor, Management decided that an Early Retirement Incentive Program (ERIP) would be evaluated prior to implementing any unilateral actions.

Early Retirement Incentive Program (ERIP)

On June 26, 2009, the Council conceptually approved the ERIP along with a tentative Memorandum of Understanding with the Coalition of Los Angeles City Unions. The ERIP was considered the best option in addressing the budgetary shortfall due to the following reasons:

- **Fiscal** - The City would achieve immediate and long-term savings in payroll, employee benefits and pension costs;
- **Organizational** – Higher paid employees would leave thus requiring departments to restructure their organizations;
- **Management** - The City's layoff process can be lengthy and cumbersome given the seniority and displacement rules specified in the Charter and the Civil Service Rules;
- **Humane** - A soft landing – Employees would be leaving voluntarily, minimizing the number of layoffs and/or furloughs necessary

As required by State law and the City Charter, the final approval of ERIP was contingent upon the completion of an actuarial study that would outline the net costs/benefits of the program. However, prior to the actuarial study's completion, the following assumptions were made regarding net costs/benefits:

- **Payroll Savings** - Implementation of ERIP would commence immediately upon approval of the Ordinance first reading, which was anticipated to occur sometime in late July 2009. Therefore, it was estimated that nine months salary savings totaling \$111 million across all funds would occur during the current fiscal year;
- **Budgetary Shortfall Solutions** – Management would be able to maximize General Fund payroll savings by transferring employees into ERIP-vacated special fund and proprietary positions. The General Fund currently accounts for approximately 53% of the total civilian workforce payroll costs. It was estimated that 70% of ERIP payroll savings, or \$85 million of \$111 million, would be credited to the General Fund;
- **Cost Neutral** – Since the City would realize a significant reduction in payroll as well as a long-term increase in the employees' contribution rate, it was believed that these would offset any costs related to ERIP. Achieving a significant reduction in payroll is accomplished by strictly adhering to the assumed backfill rates for a period of 15 years, including positions vacated by Special Funds and/or Proprietary Departments. In addition, it was believed that the increase in the employees' contribution rate to a maximum of 0.75% over a maximum period of 15 years would be sufficient to cover the incremental associated ERIP costs;
- **Legal Challenges** – There is a high likelihood that legal challenges will be made by some labor organizations and individual employees contesting the employee

contribution rate increase. However, it was believed that an approval of the ERIP by a majority of labor organizations representing a majority of LACERS members would minimize legal challenges by those opposed to the program.

#### Coalition Agreement (Agreement)

In conjunction with the ERIP, the Council also conceptually approved an Agreement that was ratified by the Coalition of Los Angeles City Unions (Coalition) membership on July 22, 2009. Finalization of the Agreement would be contingent upon Management's adoption of an Early Retirement Incentive Program (ERIP). The tentative Agreement included the following major provisions:

- The term of the 2007-12 Coalition MOU would be amended to July 1, 2007 through June 30, 2014;
- Cost of living adjustments (COLA) would be postponed for approximately 22,000 Coalition employees, which would generate \$27 million in General Fund salaries savings in the current fiscal year. The following table presents the revised COLA schedule:

	2009-10	2010-11	2011-12	2012-13	2013-14
COLA	0%	0%	3%	2.25%	2.25%
Step/Increase	0%	0%	2.75%	2.75%	2.75%
Deferral Recovery	0%	0%	0%	0%	1.75%
			11/1/11	11/1/12	
Cash Payment	n/a	n/a	1.75%	1.75%	0%

- Management would not implement layoffs, mandatory furloughs, and/or work schedule changes related to the Furlough Program for any Coalition member.

#### Furlough Program (Furlough)

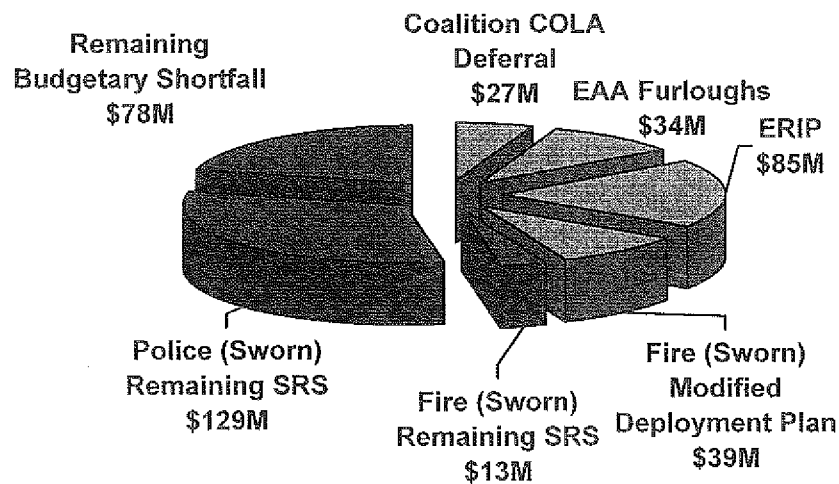
The fiscal emergency declared by the Mayor and Council allows the City to implement a work Furlough Program. It was anticipated that the City would schedule a reduced work schedule of 72 hours per pay period for all employees. Prior to implementing the Furlough Program, the City arrived at the previously discussed tentative Agreement that postponed implementation of Furlough for Coalition members. However, Management instructed departments to implement Furlough for approximately 6,400 civilian employees represented by the Engineers and Architects Association (EAA) effective July 2009. Total General Fund budgetary savings from furloughing EAA represented employees is estimated at \$34 million for the fiscal year.

#### Fire Modified Deployment Plan

To address the Fire Department's \$52 million sworn SRS, Management approved the Department's Modified Deployment Plan to reallocate fire resources throughout the City. The Department implemented this program on August 6, 2009 and expects to offset its SRS by \$39 million.

As illustrated in the chart below, the approved and tentative actions would have resolved approximately \$185 million of the \$405 million budgetary gap that the City is now facing with the additional revenue shortfall.

**Chart 2**  
**\$405 Million SRS/Budgetary Shortfall**  
**with Original ERIP Assumptions**



#### Changes in ERIP Costs/Benefits

In calculating the net costs/benefits of ERIP, several factors have changed over the last months that warrant additional discussion and consideration by Council:

- **Payroll savings** – Since delays in implementing ERIP have occurred, it is anticipated that only an average of four months savings will be achieved during the current fiscal year. According to the ERIP Savings Analysis chart at the end of this section, at four months of payroll savings, ERIP is anticipated to save approximately \$23 million across all funds, a difference of \$88 million less than the \$111 million originally anticipated;
- **Budgetary Shortfall Solutions** - The City Attorney has recently opined that the City Charter prohibits Management from permanently transferring employees between different appointing authorities without their prior consent. Therefore, ERIP savings from special and proprietary department funds will not translate to General Fund savings as previously assumed. We now estimate that only 53% of ERIP savings, or \$12 million of the \$23 million above, could be counted towards addressing the General Fund problem. This is a difference of \$73 million less than the \$85 million originally anticipated;
- **Cost Neutral** – A comparison of the completed actuarial study, dated July 30, 2009, and present value analysis of the employee payback indicates that the increase in employees' contribution rate will not be sufficient to offset added costs related to ERIP.

The employee payback of the increased employee contribution rate of 0.75% and elimination of the City's subsidy for the Defrayal Group does not cover the entire Unfunded Actuarial Accrued Liability (UAAL) increase in cost;

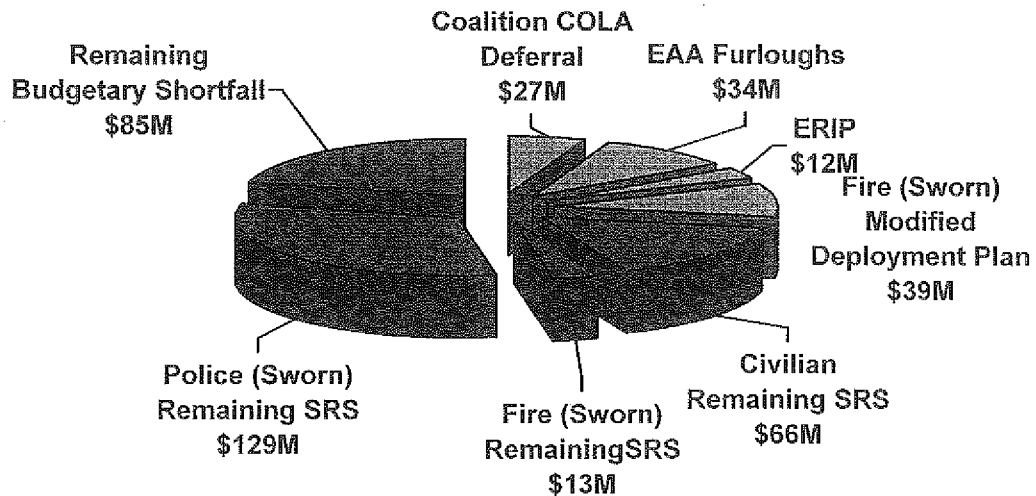
- **Legal Challenges** – Legal challenges to the increase in employee pension contributions are expected. The City Attorney should brief the Council in closed session on the basis for and validity of these challenges.

The following table summarizes the changes to the ERIP anticipated savings due to implementation delays and legal restrictions:

ERIP SAVINGS ANALYSIS					
(in millions)					
		9-Months		4-Months	
		ERIP Goal - 70% GF		ERIP Goal - 53% GF	
		GF	ALL	GF	ALL
No. of Members Retiring		1,680	2,400	1,272	2,400
First Year Savings*					
	Payroll Savings*	\$ 131.1	\$ 187.3	\$ 99.3	\$ 187.3
	Health Savings*	\$ 15.3	\$ 21.9	\$ 11.6	21.9
Total First Year Savings (12 months)*		\$ 146.4	\$ 209.2	\$ 110.9	\$ 209.2
Total First Year Savings (9 months)*		\$ 109.8	\$ 156.9	\$ 37.0	\$ 69.7
First Year Separation Pay Costs*					
	Sick Time & Vacation Time*	\$ 12.7	\$ 24.0	\$ 12.7	\$ 24.0
	Cash Payment*	\$ 11.9	22.4	\$ 11.9	22.4
Total First Year Separation Pay*		24.6	46.4	24.6	46.4
Total ERIP Savings		\$ 85.2	\$ 110.5	\$ 12.4	\$ 23.3

Accounting for the changes in the current ERIP assumptions (\$12 million), the tentative Coalition Agreement (\$27 million), Furlough Program (\$34 million), and the Fire Modified Deployment Plan (\$39 million), approximately \$112 million in combined General Fund savings could be achieved. Unfortunately, the anticipated General Fund savings that would be generated from the proposed actions being considered by Mayor and Council have diminished since the beginning of the fiscal year, from \$185 million to \$112 million leaving a remaining overall budgetary shortfall of \$293 million. As illustrated in Chart 2, the civilian SRS balance, after accounting for the EAA furloughs, Coalition COLA deferral, and ERIP would have more than offset the civilian SRS. However, as illustrated in the Chart 3 below, this is no longer the case as the civilian SRS remaining balance is estimated at \$66 million.

**Chart 3**  
**\$405 Million SRS/Budgetary Shortfall**  
**with Revised ERIP Assumptions**



### **Sworn SRS Shortfall**

Thus far the discussion has focused on the civilian SRS. However, the Adopted Budget included a sworn SRS component totaling \$181 million. As previously mentioned, Council has approved Fire's Modified Deployment Plan (\$39 million in savings). This leaves a remaining sworn deficit of \$13 million for Fire and \$129 million for Police. However, since negotiations have not been successful thus far with UFLAC, the City has filed a Notice of Impasse with the Employee Relations Board. Through the impasse process, measures to achieve the remaining \$13 million in required savings process will be identified either through continued negotiations or unilateral implementation.

The Police SRS shortfall of \$129 million is similarly challenging. Contract negotiations are ensuing; however, resolution has not been achieved and it is unlikely that the City would be able to negotiate an agreement to cover the full amount of this deficit.

### **Potential Solutions (Operational Plans) to Address the Overall Budgetary Shortfall Assuming Approval of ERIP and Coalition Agreement**

As previously stated, the Budget and Finance Committee instructed the CAO and the CLA to prepare a citywide operational plan to begin addressing the City's anticipated budget shortfall. As illustrated by Chart 3, the overall budgetary shortfall, assuming the Council approves ERIP and the Coalition Agreement, is estimated at \$293 million. The Operational Plan to address the \$293 million budgetary shortfall would have the following restrictions:

- Layoffs and furloughs of non-Coalition employees;

- Layoffs and furloughs of sworn employees; and,
- Other non-labor savings

#### Non-Coalition Workforce

Our Offices reviewed options as instructed to attempt to close the remaining budgetary gap; however, our options are limited. EAA represents the majority of the non-coalition workforce (nearly 6,400 out of 8,000). These employees are already subject to mandatory furloughs estimated to generate \$34 million in savings. EAA members are employed across all City departments (see Attachment 1 - Employment Levels by Bargaining Group) but are notable in departments such as Finance, ITA, Planning, Engineering, Controller and many others. Implementing layoffs in significant numbers for EAA members will trigger severe service impacts in key areas such as:

- Planning would no longer be able to complete community plans;
- Controller would be unable to complete financial and performance audits;
- The City would need to contract out for various IT services;
- Finance would be unable to complete business and other tax audits thus reducing General Fund revenue further; and,
- The Police Department would no longer have Criminalists to perform crime or DNA analysis.

It should be noted, the guarantee of no layoffs and/or no furloughs indirectly impacts a significant portion of non-Coalition members due to bumping rights. For example, approximately 2,000 (25%) of non-Coalition employees can bump back into a Coalition represented class that would not be subject to furloughs and/or layoffs. This further reduces the City's ability to generate savings from non-coalition layoffs. In addition, approximately one-third of non-Coalition employees are special or grant funded, so layoffs would need to be restricted to the nearly 4,700 General Funded positions as listed in Attachment 1. If all non-Coalition employees were laid-off, the net current-year savings are estimated at 75% of approximately \$170 million (\$128 million).

#### Sworn Workforce

As previously mentioned, the City will attempt to identify \$13 million in the remaining Fire Sworn SRS balance through continued negotiations or unilateral implementation. It should be noted that elimination of the 10<sup>th</sup>-member could save an estimated \$10 million.

The Police SRS shortfall of \$129 million is similarly challenging. Contract negotiations are ensuing; however, resolution has not been achieved and it is unlikely that the City would be able to negotiate an agreement to cover the full amount of this deficit. There are several potential options that the City could implement that would address the budgetary shortfall. We realize these options will be difficult to implement; however, the financial challenges compel us to act.

Potential Options	Cost Savings (millions)
Impose 18 Furlough Days	\$64.1
Discontinue Police Hiring	11.0
Layoff Police Officers in Academy Training (estimated 300 Officers)	12.9
Utilize One-Time JAG Funds (Budgeted for LA-RICS)	7.0
Utilize One-Time COP Grant Funds (saves 50 Officers)	2.0
<b>Total Estimated Savings</b>	<b>\$97.0</b>

Please note that the CAO is still pursuing an amenable resolution with the City's Police bargaining units to mitigate the shortfall.

Based on approved actions, tentative agreements regarding ERIP (\$12 million), the Coalition Agreement (\$27 million), seven-months of EAA furloughs (\$20 million), Fire Modified Deployment Plan (\$39 million), potential sworn options (\$107 million), and layoff of all non-Coalition employees (\$128 million) totaling \$333 million, the City would still be faced with a budgetary gap of approximately \$72 million. This amount would need to be addressed through additional sworn layoffs or cash transfers from the Reserve Fund.

Therefore, we find that an Operational Plan that assumes the approval of ERIP and the Coalition Agreement would devastate City operations and would not be sustainable. We have prepared an alternative Operational Plan that assumes no ERIP nor Coalition Agreement that provides Management flexibility to furlough and layoff all employees.

#### **Proposed Solutions to Address the SRS/Budgetary Shortfall without ERIP**

As instructed by the Budget and Finance Committee, our Offices have developed an alternative operational plan that would address the current budgetary shortfall. Our alternative plan looked at global solutions (furloughs) and targeted solutions to close the gap. Targeted savings included projected and actual attrition savings; elimination or reductions in services; additional revenue, or reimbursements from grant or special funds. This alternative plan includes the same sworn options discussed above. Absent breakthroughs in sworn contract negotiations, the City would still have to furlough Police Officers, discontinue new hiring, utilize grant funds, and/or lay off existing Police Officers.

The attached Operational Plan (Attachment 2) provides solutions (not including sworn) totaling \$185 million. This amount plus the \$146 million potential sworn solutions total \$331 million. In conclusion, the proposed solutions will diminish services and be difficult to implement; however, we must put the City on a path towards financial sustainability.

#### **FOUR-YEAR OUTLOOK**

The attached Four-Year Outlook and assumptions (Attachment 3 and 4) reflects a budgetary shortfall of approximately \$405 million in 2009-10. Last year, the CAO anticipated a potential \$1 billion deficit in 2010-11. This deficit has been reduced due to policy changes in Fire and

Police Pensions. The City's flexibility to mitigate the current and next year's shortfall would be greatly reduced if the Coalition Agreement is approved by Council with no furlough and layoff policy for Coalition employees.

## ATTACHMENTS

1. Employment Levels by Bargaining Group
2. Departmental Operational Plan without ERIP/Coalition Agreement
3. Four-Year Outlook
4. Four-Year Outlook Assumptions

## RECOMMENDATIONS

1. Adopt a finding that the Early Retirement Incentive Program as proposed is not financially viable for the City of Los Angeles unless the Coalition agrees to generate an additional \$50 million to \$60 million and increase pension contribution by 1.9 percent;
2. If the City Council does not approve the Early Retirement Incentive Program Ordinance:
  - A. Authorize the implementation of a mandatory furlough program effective September 28, 2009 as follows:
    - a. Close all City departments on the 2<sup>nd</sup> and 4<sup>th</sup> Friday of each month, where operationally feasible,
    - b. Authorize a minimum of 26 furlough days between September 27, 2009 and June 30, 2010 for all non-EAA employees that received a cost of living increase in Fiscal Year 09-10,
    - c. Authorize a minimum of 18 furlough days between September 27, 2009 and June 30, 2010 for all employees that did not receive a cost of living adjustment in Fiscal Year 09-10,
    - d. Instruct General Managers to implement work schedules and schedule the furlough days so that it will minimize disruption to services, not impact employee benefits, and not violate the provisions of Fair Labor Standards,
    - e. Instruct the CAO to negotiate the impact of the furlough program with the impacted civilian unions as soon as practicable
  - B. Approve the service level and reduction of 926 employees as identified in Attachment 2;
  - C. Instruct the Personnel Department to calculate all necessary layoffs through September 26, 2009;

- D. Instruct the General Managers to identify the number and classification of employees within the same service category or program required to be laid off to achieve the operational plan savings, and submit the list to the Personnel Department within 48 hours of the adoption of this report;
  - E. Authorize the CAO and Controller to freeze in PAYSR, all positions identified for layoff by the General Managers;
  - F. Request the Mayor, as part of the proposed Fiscal Year 2010-11 budget to eliminate all positions frozen by the CAO and Controller;
  - G. Instruct the Controller to implement the deferred cost of living increases for the following bargaining units: MOU's 02, 03, 04, 05, 06, 07, 09, 10, 11, 12, 13, 14, 15, 16, 18, 29, 32, 34, 36, 37 retroactive to July 1, 2009;
  - H. Instruct the CAO to convene a working group comprised of the CAO, CLA, Personnel and Controller to monitor the progress and cooperation of the departments implementation of the operational plans and report to Budget and Finance monthly;
  - I. Instruct General Managers to work with the Personnel Department and CAO to identify placement opportunities for employees at risk of layoff;
  - J. Instruct the Personnel Department to work with the City's Employee Assistance Program provider to develop programs to assist employees at risk of layoff;
  - K. Instruct the CAO to develop a cash based separation incentive program that is targeted to the classifications at risk of layoff;
  - L. Instruct the City Attorney to amend the emergency declaration to delineate the City's worsening fiscal condition and to provide for the furlough of sworn personnel.
3. If the City Council approves the Early Retirement Incentive Program Ordinance:
- A. Instruct the CAO to report back in 30 days with a detailed implementation plan that resolves the remaining deficit of \$293 million through the implementation of furloughs and layoffs of non-Coalition/Sworn employees and other necessary means.

## **FISCAL IMPACT STATEMENT**

Adoption of the above recommendations will reduce the potential budgetary gap of \$405 million.

## Employment Levels by Bargaining Group

Department	All Sources of Funds			General Fund		
	Total	Coalition	Other	Total	Coalition	Other
Aging	48	9	39	12	2	10
Animal Services	362	316	46	362	316	46
Building and Safety	959	177	782	101	19	82
City Administrative Officer	130	31	99	121	29	92
City Attorney	1,006	811	195	989	797	192
City Clerk	142	57	85	132	53	79
Community Development	276	67	209	-	-	-
Controller	185	46	139	180	45	135
Convention Center	152	116	36	-	-	-
Council	79	4	75	79	4	75
Cultural Affairs	64	18	46	-	-	-
Department on Disability	18	4	14	12	3	9
El Pueblo de Los Angeles	16	5	11	16	5	11
Emergency Management	26	4	22	26	4	22
Employee Relations Board	3	1	2	3	1	2
Environmental Affairs	29	2	27	17	2	15
Ethics Commission	26	2	24	26	2	24
Finance	374	143	231	373	143	230
Fire	370	244	126	370	244	126
General Services	2,056	1,719	337	1,656	1,384	272
Housing Department	521	153	368	-	-	-
Department of Human Services	30	7	23	30	7	23
Information Technology Agency	720	283	437	670	263	407
Mayor	83	-	83	80	-	80
Neighborhood Empowerment	43	8	35	43	8	35
Personnel	482	198	284	469	192	277
Planning	303	59	244	280	55	225
Police	3,238	2,286	952	3,238	2,286	952
Board of Public Works	131	37	94	70	20	50
Bureau of Contract Administration	359	25	334	210	15	195
Bureau of Engineering	944	131	813	336	47	289
Bureau of Sanitation	2,681	1,969	712	-	-	-
Bureau of Street Lighting	215	113	102	-	-	-
Bureau of Street Services	1,345	1,166	179	443	383	60
Transportation	1,576	1,144	432	1,156	838	318
Treasurer	39	16	23	35	14	21
Zoo	215	189	26	215	189	26
Library	1,370	1,330	40	1,370	1,330	40
Recreation and Parks	1,866	1,616	250	1,866	1,616	250
<b>Totals</b>	<b>22,482</b>	<b>14,506</b>	<b>7,976</b>	<b>14,986</b>	<b>10,316</b>	<b>4,670</b>

Average Annual Salaries	\$	70,865	\$	63,437	\$	87,272
Average 5-Months Salaries	\$	29,527	\$	26,432	\$	36,363

<b>Total 5-Months Salaries</b>	<b>\$</b>	<b>442,491,622</b>	<b>\$</b>	<b>272,672,512</b>	<b>\$</b>	<b>169,815,210</b>
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# Four-Year Budget Outlook (\$ millions)

	2009-10 Adopted	2009-10 Revised	2010-11	2011-12	2012-13
<b>ESTIMATED GENERAL FUND REVENUE</b>					
General Fund Base (1)	\$ 4,553.7	\$ 4,553.7	\$ 4,324.5	\$ 4,210.8	\$ 4,221.7
Revenue Growth (2)					
Property Related Taxes	(62.8)	(62.8)	(60.5)	2.9	30.7
Sales and Business Taxes	(78.1)	(92.3)	(35.8)	6.8	20.6
Utility Users' Tax	30.3	21.5	(5.9)	19.6	36.7
License, Permits and Fees	(81.1)	(94.1)	(7.1)	(7.0)	-
Other Fees, Taxes and Transfers	(23.6)	(27.0)	(15.0)	24.6	21.9
SPRF Transfer	61.3	25.3	10.6	(36.0)	-
<b>Total Revenue</b>	<b>\$ 4,399.8</b>	<b>\$ 4,324.5</b>	<b>\$ 4,210.8</b>	<b>\$ 4,221.7</b>	<b>\$ 4,331.6</b>
General Fund Revenue Increase %	-3.4%	-5.0%	-2.6%	0.3%	2.6%
General Fund Revenue Increase \$	(154.0)	(229.3)	(113.6)	10.9	109.9
Revenue Shortfall					
<b>ESTIMATED GENERAL FUND EXPENDITURES</b>					
General Fund Base (3)	\$ 4,553.7	\$ 4,553.7	\$ 4,729.7	\$ 5,031.6	\$ 5,282.3
Incremental Changes to Base: (4)					
Employee Compensation Adjustments (5a)	75.0	75.0	55.6	50.5	31.5
Shared Responsibility and Sacrifice (5b)	(319.9)	(319.9)	-	-	-
City Employees Retirement System (6)	(14.4)	(14.4)	120.1	77.0	17.0
Fire and Police Pensions (6)	29.7	29.7	53.6	90.6	98.1
Workers Compensation Benefits (7)	1.4	1.4	10.9	11.8	12.7
Health and Dental Benefits (8)	8.9	8.9	35.7	34.9	38.4
Debt Service (9)	40.8	40.8	0.7	(12.4)	(7.3)
Expense CPI Increases (10)	-	-	6.7	6.9	7.0
Delete Reso. Authorities & One-Time Costs (11)	(105.7)	(105.7)	-	-	-
Unappropriated Balance (12)	60.5	60.5	-	-	-
New Facilities (13)	3.1	3.1	5.5	6.0	9.3
City Elections (14)	(16.9)	(16.9)	17.4	(17.4)	17.9
Police 1,000 Officers Hiring Plan (15)	6.1	6.1	-	-	-
CIEP (16)	7.5	7.5	42.4	2.9	2.3
Appropriation to the Reserve Fund	46.7	46.7	(46.7)	-	-
Net - Other Additions and Deletions	23.3	23.3	-	-	-
2009-10 Estimated Shortfall		329.9			
<b>Subtotal Expenditures</b>	<b>\$ 4,399.8</b>	<b>\$ 4,729.7</b>	<b>\$ 5,031.6</b>	<b>\$ 5,282.3</b>	<b>\$ 5,509.3</b>
Expenditure Growth %	-3.4%	4.9%	14.4%	5.0%	4.3%
Expenditure Growth \$	(153.9)	219.7	631.8	250.7	227.0
<b>TOTAL BUDGET GAP</b>					
	<b>\$ (0.0)</b>	<b>\$ (405.2)</b>	<b>\$ (820.8)</b>	<b>\$ (1,060.6)</b>	<b>\$ (1,177.7)</b>
Incremental Increase %				29.2%	11.0%
Incremental Increase \$				(239.8)	(117.1)

## FOUR-YEAR GENERAL FUND BUDGET OUTLOOK FOOTNOTES

### REVENUE:

(1) General Fund (GF) Base: The General Fund revenue growth is separated from the revenue base. This base excludes the Reserve Fund transfer to the budget.

(2) Revenue Growth: Future year revenue projections have been revised to reflect the growing consensus among economists that the economy is in a long-term recession. Additionally, downward adjustments are likely depending on the length and severity of this recession. Amounts represent projected incremental change to the base. Refer to the Revenue Outlook for detail of each revenue category.

### ESTIMATED GENERAL FUND EXPENDITURES:

(3) Estimated Expenditure General Fund Base: Using the 2008-09 General Fund budget as the baseline year, the General Fund base is the "Total Obligatory and Potential Expenditures" carried over to the following fiscal year.

(4) The 2009-10 incremental changes reflect funding adjustments to the 2008-09 General Fund budget. The 4-year outlook expenditures included for subsequent years are limited to those obligatory and major expenses known at this time and are subject to change. Amounts represent projected incremental change to the base.

(5a) Employee Compensation Adjustments: This includes cost of living adjustment (COLA), change in number of working days, salary step and turnover effect, and full funding for partially financed positions. On Dec. 19, 2007, the Mayor and Council approved the 2007-2012 Memorandum of Understanding (MOU) for the Coalition of the Los Angeles City Union and Management Attorneys Unit. The approved COLAs are reflected in the chart below. Step increases that apply to all workers who have been on Step 5 for one year and to most flat-rated workers at the time of the increase will be effective January 1<sup>st</sup> of 2010, 2011, and 2012.

Civilian MOUs	2007-08	2008-09	2009-10	2010-11	2011-12
COLA	2% + 2%	3%	3%	2.25%	2.25%
Step/Increase			2.75%	2.75%	2.75%

Sworn labor contracts expire on 6/30/2009 and include the last COLA of 3.75% on 7/1/2008. No Sworn COLA's are assumed in 2009-10 and future years.

(5b) The 2009-10 Adopted Budget includes a \$326.6 million reduction entitled "Shared Responsibility and Sacrifice". Of the total, \$319.9 million is for salaries and \$6.7 million is for civilian retirement contribution adjustments.

(6) City Employment Retirement System (LACERS) and Fire & Police Pensions (Pensions): The LACERS and Pensions contribution are estimated based on information from the departments' actuaries and include COLA assumptions. The estimates are mostly driven by changes in assumptions and investment returns. The forecast assumptions summarized in the chart below are as follows:

Assumptions	Market Corridor	Smoothing	2008- 09	2009-10	2010-11	2011-12	2012-13
Investment Returns			(20)%	0%	8%	8%	8%
Contribution Rates							
LACERS	80:120	5 year	20.17%	19.46%	26.38%	30.18%	30.42%
Pensions (approved)	60:140	7 year	26.23%	28.24%	32.50%	39.70%	47.50%

(7) Workers Compensation Benefits (WC): The WC budget increase of 8% is applied through 2011-12.

(8) Health and Dental Benefits: Mercer Consulting provides the civilian plan forecast. Projected civilian employee FLEX benefits reflect medical subsidy increases of 9.19% for 2009; 8.71% for 2010; 8.23% for 2011; and 7.74% for 2012, with no annual increase for enrollment starting in 2010-11. Police and Fire health medical subsidy rates are historically higher and assumed to be 2% more than the civilian rates due to the type of coverage and lower deductible health plans. Police enrollment projections are consistent with the hiring plan.

(9) Debt Service: The debt service amounts include Capital Finance and Judgement Obligation Bond budgets. The Motorola lease payments for the Public Safety Radio Replacement and Police headquarters facilities debt service starts in 2009-10.

(10) Expense CPI Increases: The CPI increases in future years are anticipated at 2% per annum.

(11) Delete One-time Resolution Authorities and Other Costs: Reflects City practice of deleting programs and costs that are limited-term and temporary in nature at the start of the budget process. Funding for these positions, programs, and expenses is reviewed on a case-by-case basis and dependent upon continuing need for the fiscal year. Continued or new items added are embedded in the "Net – Additions and Deletions" line item of the forecast. None are deleted in subsequent years to provide a placeholder for continuation of resolution authority positions for various programs, as well as equipment, and other one-time expenses incurred annually. As such, these costs are therefore incorporated into the beginning General Fund base of subsequent years.

(12) Unappropriated Balance (UB): The total 2009-10 UB budget is not eliminated the following year to provide a placeholder for various ongoing and/or contingency requirements in the following years.

(13) New Facilities: Funding projections are based on preliminary departmental estimates for ongoing staffing and expenses that have not been prioritized.

(14) Elections: Citywide elections occur bi-annually.

(15) The original Police Hiring Plan called for the recruitment of 1,000 net new officers during 2005-06 to 2009-10. Due to the economic recession, funding for Police recruitment covers attrition only in 2009-10 and subsequent years. Costs include salaries and expense.

(16) Capital Improvement Expenditure Program (CIEP): The 2009-10 budget includes \$7.5 million for various capital projects. For future years, the CIEP amounts assume compliance with the policy of budgeting 1% of the General Fund for capital improvement projects.

## Employment Levels by Bargaining Group

Department	All Sources of Funds			General Fund		
	Total	Coalition	Other	Total	Coalition	Other
Aging	48	9	39	12	2	10
Animal Services	362	316	46	362	316	46
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Controller	185	46	139	180	45	135
Convention Center	152	116	36	-	-	-
Council	79	4	75	79	4	75
Cultural Affairs	64	18	46	-	-	-
Department on Disability	18	4	14	12	3	9
El Pueblo de Los Angeles	16	5	11	16	5	11
Emergency Management	26	4	22	26	4	22
Employee Relations Board	3	1	2	3	1	2
Environmental Affairs	29	2	27	17	2	15
Ethics Commission	26	2	24	26	2	24
Finance	374	143	231	373	143	230
Fire	370	244	126	370	244	126
General Services	2,056	1,719	337	1,656	1,384	272
Housing Department	521	153	368	-	-	-
Department of Human Services	30	7	23	30	7	23
Information Technology Agency	720	283	437	670	263	407
Mayor	83	-	83	80	-	80
Neighborhood Empowerment	43	8	35	43	8	35
Personnel	482	198	284	469	192	277
Planning	303	59	244	280	55	225
Police	3,238	2,286	952	3,238	2,286	952
Board of Public Works	131	37	94	70	20	50
Bureau of Contract Administration	359	25	334	210	15	195
Bureau of Engineering	944	131	813	336	47	289
Bureau of Sanitation	2,681	1,969	712	-	-	-
Bureau of Street Lighting	215	113	102	-	-	-
Bureau of Street Services	1,345	1,166	179	443	383	60
Transportation	1,576	1,144	432	1,156	838	318
Treasurer	39	16	23	35	14	21
Zoo	215	189	26	215	189	26
Library	1,370	1,330	40	1,370	1,330	40
Recreation and Parks	1,866	1,616	250	1,866	1,616	250
<b>Totals</b>	<b>22,482</b>	<b>14,506</b>	<b>7,976</b>	<b>14,986</b>	<b>10,316</b>	<b>4,670</b>

Average Annual Salaries	\$	70,865	\$	63,437	\$	87,272
Average 5-Months Salaries	\$	29,527	\$	26,432	\$	36,363

<b>Total 5-Months Salaries</b>	<b>\$</b>	<b>442,491,622</b>	<b>\$</b>	<b>272,672,512</b>	<b>\$</b>	<b>169,815,210</b>
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# Four-Year Budget Outlook (\$ millions)

	2009-10 Adopted	2009-10 Revised	2010-11	2011-12	2012-13
<b>ESTIMATED GENERAL FUND REVENUE</b>					
General Fund Base (1)	\$ 4,553.7	\$ 4,553.7	\$ 4,324.5	\$ 4,210.8	\$ 4,221.7
Revenue Growth (2)					
Property Related Taxes	(62.8)	(62.8)	(60.5)	2.9	30.7
Sales and Business Taxes	(78.1)	(92.3)	(35.8)	6.8	20.6
Utility Users' Tax	30.3	21.5	(5.9)	19.6	36.7
License, Permits and Fees	(81.1)	(94.1)	(7.1)	(7.0)	-
Other Fees, Taxes and Transfers	(23.6)	(27.0)	(15.0)	24.6	21.9
SPRF Transfer	61.3	25.3	10.6	(36.0)	-
<b>Total Revenue</b>	<b>\$ 4,399.8</b>	<b>\$ 4,324.5</b>	<b>\$ 4,210.8</b>	<b>\$ 4,221.7</b>	<b>\$ 4,331.6</b>
<i>General Fund Revenue Increase %</i>	<i>-3.4%</i>	<i>-5.0%</i>	<i>-2.6%</i>	<i>0.3%</i>	<i>2.6%</i>
<i>General Fund Revenue Increase \$</i>	<i>(154.0)</i>	<i>(229.3)</i>	<i>(113.6)</i>	<i>10.9</i>	<i>109.9</i>
<i>Revenue Shortfall</i>					
<b>ESTIMATED GENERAL FUND EXPENDITURES</b>					
General Fund Base (3)	\$ 4,553.7	\$ 4,553.7	\$ 4,729.7	\$ 5,031.6	\$ 5,282.3
Incremental Changes to Base: (4)					
Employee Compensation Adjustments (5a)	75.0	75.0	55.6	50.5	31.5
Shared Responsibility and Sacrifice (5b)	(319.9)	(319.9)	-	-	-
City Employees Retirement System (6)	(14.4)	(14.4)	120.1	77.0	17.0
Fire and Police Pensions (6)	29.7	29.7	53.6	90.6	98.1
Workers Compensation Benefits (7)	1.4	1.4	10.9	11.8	12.7
Health and Dental Benefits (8)	8.9	8.9	35.7	34.9	38.4
Debt Service (9)	40.8	40.8	0.7	(12.4)	(7.3)
Expense CPI Increases (10)	-	-	6.7	6.9	7.0
Delete Reso. Authorities & One-Time Costs (11)	(105.7)	(105.7)	-	-	-
Unappropriated Balance (12)	60.5	60.5	-	-	-
New Facilities (13)	3.1	3.1	5.5	6.0	9.3
City Elections (14)	(16.9)	(16.9)	17.4	(17.4)	17.9
Police 1,000 Officers Hiring Plan (15)	6.1	6.1	-	-	-
CIEP (16)	7.5	7.5	42.4	2.9	2.3
Appropriation to the Reserve Fund	46.7	46.7	(46.7)	-	-
Net - Other Additions and Deletions	23.3	23.3	-	-	-
2009-10 Estimated Shortfall		329.9			
<b>Subtotal Expenditures</b>	<b>\$ 4,399.8</b>	<b>\$ 4,729.7</b>	<b>\$ 5,031.6</b>	<b>\$ 5,282.3</b>	<b>\$ 5,509.3</b>
<i>Expenditure Growth %</i>	<i>-3.4%</i>	<i>4.9%</i>	<i>14.4%</i>	<i>5.0%</i>	<i>4.3%</i>
<i>Expenditure Growth \$</i>	<i>(153.9)</i>	<i>219.7</i>	<i>631.8</i>	<i>250.7</i>	<i>227.0</i>
<b>TOTAL BUDGET GAP</b>					
	<b>\$ (0.0)</b>	<b>\$ (405.2)</b>	<b>\$ (820.8)</b>	<b>\$ (1,060.6)</b>	<b>\$ (1,177.7)</b>
<i>Incremental Increase %</i>				<i>29.2%</i>	<i>11.0%</i>
<i>Incremental Increase \$</i>				<i>(239.8)</i>	<i>(117.1)</i>

## FOUR-YEAR GENERAL FUND BUDGET OUTLOOK FOOTNOTES

### REVENUE:

(1) General Fund (GF) Base: The General Fund revenue growth is separated from the revenue base. This base excludes the Reserve Fund transfer to the budget.

(2) Revenue Growth: Future year revenue projections have been revised to reflect the growing consensus among economists that the economy is in a long-term recession. Additionally, downward adjustments are likely depending on the length and severity of this recession. Amounts represent projected incremental change to the base. Refer to the Revenue Outlook for detail of each revenue category.

### ESTIMATED GENERAL FUND EXPENDITURES:

(3) Estimated Expenditure General Fund Base: Using the 2008-09 General Fund budget as the baseline year, the General Fund base is the "Total Obligatory and Potential Expenditures" carried over to the following fiscal year.

(4) The 2009-10 incremental changes reflect funding adjustments to the 2008-09 General Fund budget. The 4-year outlook expenditures included for subsequent years are limited to those obligatory and major expenses known at this time and are subject to change. Amounts represent projected incremental change to the base.

(5a) Employee Compensation Adjustments: This includes cost of living adjustment (COLA), change in number of working days, salary step and turnover effect, and full funding for partially financed positions. On Dec. 19, 2007, the Mayor and Council approved the 2007-2012 Memorandum of Understanding (MOU) for the Coalition of the Los Angeles City Union and Management Attorneys Unit. The approved COLAs are reflected in the chart below. Step increases that apply to all workers who have been on Step 5 for one year and to most flat-rated workers at the time of the increase will be effective January 1<sup>st</sup> of 2010, 2011, and 2012.

Civilian MOUs	2007-08	2008-09	2009-10	2010-11	2011-12
COLA	2% + 2%	3%	3%	2.25%	2.25%
Step/Increase			2.75%	2.75%	2.75%

Sworn labor contracts expire on 6/30/2009 and include the last COLA of 3.75% on 7/1/2008. No Sworn COLA's are assumed in 2009-10 and future years.

(5b) The 2009-10 Adopted Budget includes a \$326.6 million reduction entitled "Shared Responsibility and Sacrifice". Of the total, \$319.9 million is for salaries and \$6.7 million is for civilian retirement contribution adjustments.

(6) City Employment Retirement System (LACERS) and Fire & Police Pensions (Pensions): The LACERS and Pensions contribution are estimated based on information from the departments' actuaries and include COLA assumptions. The estimates are mostly driven by changes in assumptions and investment returns. The forecast assumptions summarized in the chart below are as follows:

Assumptions	Market Corridor	Smoothing	2008- 09	2009-10	2010-11	2011-12	2012-13
Investment Returns			(20)%	0%	8%	8%	8%
Contribution Rates							
LACERS	80:120	5 year	20.17%	19.46%	26.38%	30.18%	30.42%
Pensions (approved)	60:140	7 year	26.23%	28.24%	32.50%	39.70%	47.50%

(7) Workers Compensation Benefits (WC): The WC budget increase of 8% is applied through 2011-12.

(8) Health and Dental Benefits: Mercer Consulting provides the civilian plan forecast. Projected civilian employee FLEX benefits reflect medical subsidy increases of 9.19% for 2009; 8.71% for 2010; 8.23% for 2011; and 7.74% for 2012, with no annual increase for enrollment starting in 2010-11. Police and Fire health medical subsidy rates are historically higher and assumed to be 2% more than the civilian rates due to the type of coverage and lower deductible health plans. Police enrollment projections are consistent with the hiring plan.

(9) Debt Service: The debt service amounts include Capital Finance and Judgement Obligation Bond budgets. The Motorola lease payments for the Public Safety Radio Replacement and Police headquarters facilities debt service starts in 2009-10.

(10) Expense CPI Increases: The CPI increases in future years are anticipated at 2% per annum.

(11) Delete One-time Resolution Authorities and Other Costs: Reflects City practice of deleting programs and costs that are limited-term and temporary in nature at the start of the budget process. Funding for these positions, programs, and expenses is reviewed on a case-by-case basis and dependent upon continuing need for the fiscal year. Continued or new items added are embedded in the "Net – Additions and Deletions" line item of the forecast. None are deleted in subsequent years to provide a placeholder for continuation of resolution authority positions for various programs, as well as equipment, and other one-time expenses incurred annually. As such, these costs are therefore incorporated into the beginning General Fund base of subsequent years.

(12) Unappropriated Balance (UB): The total 2009-10 UB budget is not eliminated the following year to provide a placeholder for various ongoing and/or contingency requirements in the following years.

(13) New Facilities: Funding projections are based on preliminary departmental estimates for ongoing staffing and expenses that have not been prioritized.

(14) Elections: Citywide elections occur bi-annually.

(15) The original Police Hiring Plan called for the recruitment of 1,000 net new officers during 2005-06 to 2009-10. Due to the economic recession, funding for Police recruitment covers attrition only in 2009-10 and subsequent years. Costs include salaries and expense.

(16) Capital Improvement Expenditure Program (CIEP): The 2009-10 budget includes \$7.5 million for various capital projects. For future years, the CIEP amounts assume compliance with the policy of budgeting 1% of the General Fund for capital improvement projects.

## Employment Levels by Bargaining Group

Department	All Sources of Funds			General Fund		
	Total	Coalition	Other	Total	Coalition	Other
Aging	48	9	39	12	2	10
Animal Services	362	316	46	362	316	46
Building and Safety	959	177	782	101	19	82
City Administrative Officer	130	31	99	121	29	92
City Attorney	1,006	811	195	989	797	192
City Clerk	142	57	85	132	53	79
Community Development	276	67	209	-	-	-
Controller	185	46	139	180	45	135
Convention Center	152	116	36	-	-	-
Council	79	4	75	79	4	75
Cultural Affairs	64	18	46	-	-	-
Department on Disability	18	4	14	12	3	9
El Pueblo de Los Angeles	16	5	11	16	5	11
Emergency Management	26	4	22	26	4	22
Employee Relations Board	3	1	2	3	1	2
Environmental Affairs	29	2	27	17	2	15
Ethics Commission	26	2	24	26	2	24
Finance	374	143	231	373	143	230
Fire	370	244	126	370	244	126
General Services	2,056	1,719	337	1,656	1,384	272
Housing Department	521	153	368	-	-	-
Department of Human Services	30	7	23	30	7	23
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Mayor	83	-	83	80	-	80
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Bureau of Contract Administration	359	25	334	210	15	195
Bureau of Engineering	944	131	813	336	47	289
Bureau of Sanitation	2,681	1,969	712	-	-	-
Bureau of Street Lighting	215	113	102	-	-	-
Bureau of Street Services	1,345	1,166	179	443	383	60
Transportation	1,576	1,144	432	1,156	838	318
Treasurer	39	16	23	35	14	21
Zoo	215	189	26	215	189	26
Library	1,370	1,330	40	1,370	1,330	40
Recreation and Parks	1,866	1,616	250	1,866	1,616	250
<b>Totals</b>	<b>22,482</b>	<b>14,506</b>	<b>7,976</b>	<b>14,986</b>	<b>10,316</b>	<b>4,670</b>

Average Annual Salaries	\$	70,865	\$	63,437	\$	87,272
Average 5-Months Salaries	\$	29,527	\$	26,432	\$	36,363

<b>Total 5-Months Salaries</b>	<b>\$</b>	<b>442,491,622</b>	<b>\$</b>	<b>272,672,512</b>	<b>\$</b>	<b>169,815,210</b>
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## ATTACHMENT 2

## Aging

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
1. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ 4,086	-	\$ 4,086	48
<b>Global Solutions</b>				
2. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 106,057	-	\$ 106,057	-
<b>TOTAL AGING</b>	\$ 110,143	-	\$ 110,143	48
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	106,057	-	106,057	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 110,143	-	\$ 110,143	48

**ATTACHMENT 2**  
**Animal Services**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
3. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (3,200,000)	-	\$ (3,200,000)	374
<b>Global Solutions</b>				
4. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,954,000	-	\$ 1,954,000	-
<b>Targeted Separations</b>				
5. <b>Achieved Voluntary Employee Separations</b> Since July 1st, one employee has separated from the Department. The Department has no intent to backfill this separation. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 50,454	-	\$ 50,454	(1)
6. <b>Expected Voluntary Employee Separations</b> The Department reports an estimate of one voluntary employee separation through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 24,218	-	\$ 24,218	(1)
7. <b>Shelter Operations</b> Due to a lack of funds, decrease the department's baseline employment by 31 employees performing shelter operations. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 579,173	-	\$ 579,173	(31)
8. <b>Field Operations Program</b> Due to a lack of funds, decrease the department's baseline employment by seven employees to realign the management duties and responsibilities for the Field Operations Program. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 197,498	-	\$ 197,498	(7)
9. <b>Medical and Administrative Hearing Services</b> Due to a lack of funds, decrease the department's baseline employment by four employees performing medical services and one employee performing administrative hearing services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 121,670	-	\$ 121,670	(5)
10. <b>Call Center</b> Due to a lack of funds, decrease the department's baseline employment by six employees performing call center services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 144,040	-	\$ 144,040	(6)

**ATTACHMENT 2**  
**Animal Services**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Other Changes or Adjustments				
11. Animal Spay and Neuter Trust Fund	\$ 90,890	-	\$ 90,890	-
Due to a lack of funds, reduce the General Fund appropriation to the Animal Spay and Neuter Trust Fund (Fund 543) by \$90,890. This reduces the General Fund subsidy to Fund 543 from \$810,000 to \$719,110.				
TOTAL ANIMAL SERVICES	\$ (38,057)	-	\$ (38,057)	323

<b>2009-10 Baseline Budget Status</b>	\$ (3,200,000)	-	\$ (3,200,000)	374
Operational Plan Solutions	3,161,943	-	3,161,943	(51)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ (38,057)	-	\$ (38,057)	323

**ATTACHMENT 2**  
**Building and Safety**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
12. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (3,050,758)	-	\$ (3,050,758)	970
<b>Global Solutions</b>				
13. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,027,578	-	\$ 1,027,578	-
<b>Targeted Separations</b>				
14. <b>Achieved Voluntary Employee Separations</b> Since July 1st, 13 employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 65,388	-	\$ 65,388	(13)
15. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated 31 voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 245,839	-	\$ 245,839	(31)
16. <b>Inspection Services</b> Due to a lack of funds, decrease the department's baseline employment by nine employees performing inspection services. The Department is currently in discussions with the Housing Department in regards to placing these employees.	\$ -	-	\$ -	(6)
17. <b>Various Staff Reductions</b> Due to a lack of funds, decrease the department's baseline employment by 46 employees performing Code Enforcement, Plan Check, Inspection, and Support Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 1,127,134	-	\$ 1,127,134	(54)
<b>Other Changes or Adjustments</b>				
18. <b>Reassign Staff and Miscellaneous Adjustments</b> To close the department projected deficit and retain expert personnel, reassign 25 staff within the Department and adjust miscellaneous appropriations.	\$ 584,819	-	\$ 584,819	-

## ATTACHMENT 2

TOTAL BUILDING AND SAFETY

\$	-	-	\$	-	866
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2009-10 Baseline Budget Status	\$ (3,050,758)	-	\$ (3,050,758)	970
Operational Plan Solutions	3,050,758	-	3,050,758	(104)
2009-10 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	866

**ATTACHMENT 2**  
**City Administrative Officer**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
19. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,748,339)	-	\$ (1,748,339)	134
<b>Global Solutions</b>				
20. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,000,170	-	\$ 1,000,170	-
<b>Targeted Separations</b>				
21. <b>Achieved Voluntary Employee Separations</b> Since July 1st, one employees has separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 110,230	-	\$ 110,230	(1)
22. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated two voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 51,236	-	\$ 51,236	(2)
23. <b>Budgetary Analysis and Management Services</b> Due to a lack of funds, decrease the department's baseline employment by five employees performing budgetary analysis and management services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 148,953	-	\$ 148,953	(5)
<b>Increased Sources of Funds</b>				
24. <b>Funding Source Offsets</b> Recognize reimbursentments for the Financial Management System Project and from the Tax Amnesty and Propositions F and Q, which will supplement salary funding during 2009-10.	\$ 247,592	-	\$ 247,592	-
<b>Other Changes or Adjustments</b>				
25. <b>Expense Account Reductions</b> Reduce funding for general financial advisors and actuarial consulting services by \$95,079 each to offset the Department's current year salary shortfall.	\$ 190,158	-	\$ 190,158	-
<b>TOTAL CITY ADMINISTRATIVE OFFICER</b>	\$ -	-	\$ -	126
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	1,748,339	-	1,748,339	(8)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	126

## ATTACHMENT 2

## City Attorney

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
26. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (15,417,245)	-	\$ (15,417,245)	1,014
<b>Global Solutions</b>				
27. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 8,954,635	-	\$ 8,954,635	-
<b>Targeted Separations</b>				
28. <b>Achieved Voluntary Employee Separations</b> Since July 1st, six employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 436,413	-	\$ 436,413	(6)
29. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated 10 voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve the savings amount.	\$ 597,461	-	\$ 597,461	(10)
30. <b>General Staff Reductions</b> Due to lack of funds, the Department estimates approximately 48 employees are non-tenured probationary employees and may be targeted for layoffs. The amount reflects cost savings for eight months beginning November should these actions be taken. The Office of the City Attorney will be responsible for processing the layoffs.	\$ 2,723,265	-	\$ 2,723,265	(48)
31. <b>Safe Schools Reduction</b> Due to lack of funds, the Department recommends six staff reductions of positions assigned to the Safe Schools Program. The cost savings reflected is based on five months due to the length of time required to implement the layoff process.	\$ 316,754	-	\$ 316,754	(6)
<b>Increased Sources of Funds</b>				
32. <b>CLEAR Interim Transfers</b> The Department will be receiving additional appropriations for the CLEAR program this fiscal year. This appropriation will come from a variety of sources including both grants (JAG 07, JAG 08, JAG ARRA and two earmarks) and unspent General Fund.	\$ 842,277	-	\$ 842,277	-
33. <b>Intellectual Property Fund Interim Transfer</b> The Department anticipates a transfer from the Intellectual Property (IP) Trust Fund to reimburse three General Fund positions for salary expenses of staff who handle IP legal matters.	\$ 322,619	-	\$ 322,619	-

## ATTACHMENT 2

## City Attorney

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Other Changes or Adjustments</b>				
34. <b>Interoffice Transfer</b> Reduce the Office and Administrative Expense Account (6010) appropriation and transfer to the 1010, Salaries General Account. Savings will be achieved through reduced purchases of printer/fax toners officewide.	\$ 50,000	-	\$ 50,000	-
35. <b>UB Outside Counsel Transfer</b> Transfer \$500,000 from the Unanticipated Balance (UB) Outside Counsel including Workers' Compensation line item to the Department's Salaries General Account. The Department indicates more cases will be handled by in-house attorneys resulting in a savings in outside counsel expenditures.	\$ 500,000	-	\$ 500,000	-
36. <b>Proprietary Adjustment</b> Department will transfer one Assistant City Attorney (ACA) who is currently General Funded into a vacant ACA Proprietary Reimbursable position. This transfer also assumes the position will not be backfilled.	\$ 104,033	-	\$ 104,033	-
<b>TOTAL CITY ATTORNEY</b>	\$ (569,788)	-	\$ (569,788)	944

<b>2009-10 Baseline Budget Status</b>	\$ (15,417,245)	-	\$ (15,417,245)	1,014
Operational Plan Solutions	14,847,457	-	14,847,457	(70)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ (569,788)	-	\$ (569,788)	944

**ATTACHMENT 2**

**City Clerk**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
37. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,328,341)	-	\$ (1,328,341)	142
<b>Global Solutions</b>				
38. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,031,420	-	\$ 1,031,420	-
<b>Targeted Separations</b>				
39. <b>Achieved Voluntary Employee Separations</b> Since July 1st, six employees have separated from the Department. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 459,905	-	\$ 459,905	(6)
40. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated one voluntary employee separation through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 108,984	-	\$ 108,984	(1)
<b>Increased Sources of Funds</b>				
41. <b>BID Trust Fund Transfer</b> Due to a lack of funds, transfer \$400,000 in one-time savings in the BID Trust Fund to offset potential layoffs.	\$ 400,000	-	\$ 400,000	-
<b>TOTAL CITY CLERK</b>	<b>\$ 671,968</b>	<b>-</b>	<b>\$ 671,968</b>	<b>135</b>

<b>2009-10 Baseline Budget Status</b>	<b>\$ (1,328,341)</b>	<b>-</b>	<b>\$ (1,328,341)</b>	<b>142</b>
Operational Plan Solutions	2,000,309	-	2,000,309	(7)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 671,968</b>	<b>-</b>	<b>\$ 671,968</b>	<b>135</b>

**ATTACHMENT 2**  
**Community Development**

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Baseline Budget Status</b>						
42. <b>Baseline Budget Status</b>	\$	-	-	\$	-	278
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.						
<b>Global Solutions</b>						
43. <b>Employee Work Furloughs</b>	\$	-	(1,096,888)	\$	(1,096,888)	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.						
<b>TOTAL COMMUNITY DEVELOPMENT</b>						
	\$	-	(1,096,888)	\$	(1,096,888)	278
<b>2009-10 Baseline Budget Status</b>						
Operational Plan Solutions		-	(1,096,888)		(1,096,888)	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$	-	(1,096,888)	\$	(1,096,888)	278

## ATTACHMENT 2

## Controller

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
44. <b>Baseline Budget Status</b>	\$ (1,710,175)	-	\$ (1,710,175)	186
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.				
<b>Global Solutions</b>				
45. <b>Employee Work Furloughs</b>	\$ 1,664,330	-	\$ 1,664,330	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.				
<b>Other Changes or Adjustments</b>				
46. <b>Blank Item</b>	\$ -	-	\$ -	-
<b>TOTAL CONTROLLER</b>				
	\$ (45,845)	-	\$ (45,845)	186
<b>2009-10 Baseline Budget Status</b>				
	\$ (1,710,175)	-	\$ (1,710,175)	186
<b>Operational Plan Solutions</b>				
	1,664,330	-	1,664,330	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>				
	\$ (45,845)	-	\$ (45,845)	186

**ATTACHMENT 2**  
**Convention Center**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
47. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (235,329)	-	\$ (235,329)	153
<b>Global Solutions</b>				
48. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,062,553	-	\$ 1,062,553	-
<b>Other Changes or Adjustments</b>				
49. <b>Contractual Services Reduction</b> The Department will reduce current year expenditures in contractual services by \$166,015 to partially offset the City's overall current year deficit.	\$ 166,015	-	\$ 166,015	-
<b>TOTAL CONVENTION CENTER</b>	<b>\$ 993,239</b>	<b>-</b>	<b>\$ 993,239</b>	<b>153</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	1,228,568	-	1,228,568	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 993,239</b>	<b>-</b>	<b>\$ 993,239</b>	<b>153</b>

## ATTACHMENT 2

## Council

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Baseline Budget Status</b>						
50. <b>Baseline Budget Status</b>	\$	-	-	\$	-	80
The adopted budgets of the Mayor and City Council include a 14% salary reduction which will be achieved through a combination of salary reductions, furloughs or layoffs to achieve balanced budgets.						
<b>TOTAL COUNCIL</b>						
	\$	-	-	\$	-	80
<b>2009-10 Baseline Budget Status</b>						
Operational Plan Solutions		-	-		-	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>						
	\$	-	-	\$	-	80

**ATTACHMENT 2**  
**Cultural Affairs**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
51. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ 109,941	-	\$ 109,941	65
<b>Global Solutions</b>				
52. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 443,239	-	\$ 443,239	-
<b>Other Changes or Adjustments</b>				
53. <b>Reduce Cultural Affairs Special Appropriations</b> Due to a lack of funds, decrease the Cultural Affairs Special Appropriations by \$590,059.	\$ 590,059	-	\$ 590,059	-
54. <b>Increase Related Cost Reimbursement</b> Transfer funding in the amount of \$300,000 from the cash balance of the Arts and Cultural Facilities Trust Fund, Fund 480 to increase the reimbursement of the General Fund for departmental related costs.	\$ -	300,000	\$ 300,000	-
<b>TOTAL CULTURAL AFFAIRS</b>	<b>\$ 1,143,239</b>	<b>300,000</b>	<b>\$ 1,443,239</b>	<b>65</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	1,033,298	300,000	1,333,298	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 1,143,239</b>	<b>300,000</b>	<b>\$ 1,443,239</b>	<b>65</b>

**ATTACHMENT 2**  
**Department on Disability**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
55. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (79,571)	-	\$ (79,571)	19
<b>Global Solutions</b>				
56. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 85,751	-	\$ 85,751	-
<b>Other Changes or Adjustments</b>				
57. <b>Eliminate Community Affairs</b> Due to a lack of funds, decrease the department's baseline employment by one vacant Senior Personnel Analyst I position that supports the American's With Disabilities Act (ADA) Compliance Program. The position has been vacant since July 1, 2009 and will not be backfilled because of the Department's intention to reorganize and restructure its services within the remaining positions. Savings reflect full year savings.	\$ (96,112)	-	\$ (96,112)	(1)
<b>TOTAL DEPARTMENT ON DISABILITY</b>	<b>\$ (89,932)</b>	<b>-</b>	<b>\$ (89,932)</b>	<b>18</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	(10,361)	-	(10,361)	(1)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (89,932)</b>	<b>-</b>	<b>\$ (89,932)</b>	<b>18</b>

ATTACHMENT 2  
El Pueblo de Los Angeles

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
58. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (98,523)	-	\$ (98,523)	18
<b>Global Solutions</b>				
59. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 137,336	-	\$ 137,336	-
<b>Targeted Separations</b>				
60. <b>Achieved Voluntary Employee Separations</b> Since July 1st, one employee has separated from the Department. The Department has no intent to backfill this separation. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 47,747	-	\$ 47,747	(1)
<b>Increased Sources of Funds</b>				
61. <b>Prior Year Unanticipated Revenue</b> Recognize \$103,513 in unanticipated 2008-09 revenues not accounted for in the 2009-10 Adopted Budget.	\$ -	103,513	\$ 103,513	-
<b>Other Changes or Adjustments</b>				
62. <b>Adopted Budget Savings</b> Implement the 2009-10 Adopted Budget reduction of one position in History and Museums and one position in Marketing and Events. The reduction has been postponed pending a decision on the ERIP/Coalition Agreement.	\$ 50,776	-	\$ 50,776	(2)
63. <b>As-Needed Reduction</b> Reduce the Salaries As-Needed account by \$46,212 to reflect reduced museum hours and reduced filming and special event staffing.	\$ 46,212	-	\$ 46,212	-
<b>TOTAL EL PUEBLO DE LOS ANGELES</b>	<b>\$ 183,548</b>	<b>103,513</b>	<b>\$ 287,061</b>	<b>15</b>

<b>2009-10 Baseline Budget Status</b>	\$ (98,523)	-	\$ (98,523)	18
Operational Plan Solutions	282,071	103,513	385,584	(3)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 183,548</b>	<b>103,513</b>	<b>\$ 287,061</b>	<b>15</b>

**ATTACHMENT 2**  
**Emergency Management**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
64. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (656,020)	-	\$ (656,020)	27
<b>Global Solutions</b>				
65. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 258,908	-	\$ 258,908	-
<b>Targeted Separations</b>				
66. <b>Communications</b> Due to lack of funds, decrease the department's baseline employment by one employee in the Communications Division. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 34,896	-	\$ 34,896	(1)
67. <b>Operations</b> Due to a lack of funds, decrease the department's baseline employment by one position in the Operations Division. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 39,834	-	\$ 39,834	(1)
<b>Increased Sources of Funds</b>				
68. <b>Homeland Security Grant Appropriations</b> The Department anticipates receipt of \$582,726 in various Homeland Security Grant appropriations, including \$23,276 from the 2006 Urban Areas Security Initiative Grant (UASI), \$214,020 from the 2007 UASI Grant, and \$345,430 from the Regional Catastrophic Preparedness Grant Program.	\$ 582,726	-	\$ 582,726	-
<b>Other Changes or Adjustments</b>				
69. <b>Emergency Operations Fund</b> The Emergency Operations Fund received from the General Fund a 2008-09 interim appropriation of \$469,700 for Contractual Services. As these funds have not yet been expended, revert these funds to the Reserve Fund.	\$ -	469,700	\$ 469,700	-
<b>TOTAL EMERGENCY MANAGEMENT</b>	<b>\$ 260,344</b>	<b>469,700</b>	<b>\$ 730,044</b>	<b>25</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	<b>\$ (656,020)</b>	<b>-</b>	<b>\$ (656,020)</b>	<b>27</b>
Operational Plan Solutions	916,364	469,700	1,386,064	(2)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 260,344</b>	<b>469,700</b>	<b>\$ 730,044</b>	<b>25</b>

**ATTACHMENT 2**  
**Employee Relations Board**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
70. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (22,515)	-	\$ (22,515)	3
<b>Global Solutions</b>				
71. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 21,680	-	\$ 21,680	-
<b>Other Changes or Adjustments</b>				
72. <b>Voluntary Work Furloughs</b> The Executive Director is currently taking voluntary furloughs, which are expected to generate additional salary savings of \$835 during the fiscal year.	\$ 835	-	\$ 835	-
<b>TOTAL EMPLOYEE RELATIONS BOARD</b>	\$ -	-	\$ -	3

<b>2009-10 Baseline Budget Status</b>	\$ (22,515)	-	\$ (22,515)	3
Operational Plan Solutions	22,515	-	22,515	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	3

**ATTACHMENT 2**  
**Environmental Affairs**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
73. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (162,292)	-	\$ (162,292)	29
<b>Global Solutions</b>				
74. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 153,028	-	\$ 153,028	-
<b>TOTAL ENVIRONMENTAL AFFAIRS</b>				
	\$ (9,264)	-	\$ (9,264)	29
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	153,028	-	153,028	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ (9,264)	-	\$ (9,264)	29

**ATTACHMENT 2**  
**Ethics Commission**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
75. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (505,162)	-	\$ (505,162)	26
<b>Global Solutions</b>				
76. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 220,071	-	\$ 220,071	-
<b>Targeted Separations</b>				
77. <b>Achieved Voluntary Employee Separations</b> Since July 1st, two employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 150,246	-	\$ 150,246	(2)
78. <b>Additional Staff Reduction</b> Due to a lack of funds, decrease the Department's baseline employment by one employee. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 22,681	-	\$ 22,681	(1)
<b>Other Changes or Adjustments</b>				
79. <b>Contractual Services Reduction</b> The Department will reduce expenditures in the Contractual Services Account by \$90,178 to offset the Department's overall shortfall.	\$ 90,178	-	\$ 90,178	-
80. <b>Staff Adjustments</b> Due to a lack of funds, two position classifications were downgraded and will result in a net salary savings of \$21,986.	\$ 21,986	-	\$ 21,986	-
<b>TOTAL ETHICS COMMISSION</b>	\$ -	-	\$ -	23

<b>2009-10 Baseline Budget Status</b>	\$ (505,162)	-	\$ (505,162)	26
Operational Plan Solutions	505,162	-	505,162	(3)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	23

## ATTACHMENT 2

## Finance

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
80. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (4,111,330)	-	\$ (4,111,330)	377
<b>Global Solutions</b>				
81. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 2,690,371	(15,000,000)	\$ (12,309,629)	-
<b>Targeted Separations</b>				
82. <b>Achieved Voluntary Employee Separations</b> Since July 1st, three employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 149,076	-	\$ 149,076	(3)
83. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated one voluntary employee separation through the end of the fiscal year. The Department requests to backfill this position. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council.	\$ 59,760	-	\$ 59,760	(1)
84. <b>General Finance Support Activities</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing various support activities for Finance. Eight months of current year savings are reflected, as layoffs may be processed immediately for the targeted classifications.	\$ 39,620	-	\$ 39,620	(2)
85. <b>Document Maintenance Services</b> Due to a lack of funds, decrease the Department's baseline employment by four employees supporting document maintenance. Because of the time required for Personnel Department to process layoffs, the amount for two positions reflects five months of current year savings. The remaining two positions reflect eight months in current year savings, as layoffs may be processed immediately for the targeted classifications. The Department has requested an exchange for these positions with an add-back of Customer Service Specialists.	\$ 85,452	-	\$ 85,452	(4)
86. <b>Renewals</b> Due to a lack of funds, decrease the Department's baseline employment by one employee assigned to the Renewals Section of the Internal Billing and Processing Unit. Eight months of current year savings are reflected, as layoffs may be processed immediately for the targeted classifications.	\$ 19,205	-	\$ 19,205	(1)
87. <b>Teller Unit</b> Due to a lack of funds, decrease the Department's baseline employment by one employee assigned to the Teller Unit. Eight months of current year savings are reflected, as layoffs may be processed immediately for the targeted classifications. The Department requested to exchange this position with an add back of Customer Service Specialist.	\$ 19,205	-	\$ 19,205	(1)

## ATTACHMENT 2

## Finance

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Targeted Separations</b>				
88. <b>Operations Support Realignment</b> Due to a lack of funds, decrease the Department's baseline employment by two employees assigned to the Customer Operations/Support Unit. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings for one position. One position reflects eight months of current year savings, as this layoff may be processed immediately for the targeted classifications.	\$ 49,987	-	\$ 49,987	(2)
89. <b>Supervisory Realignment</b> The Department will restructure the office by consolidating the Special Desks Unit and the Call Center, resulting in the removal of one supervisor position. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 24,963	-	\$ 24,963	(1)
<b>Other Changes or Adjustments</b>				
90. <b>Credit Card Convenience Fee</b> Currently, taxpayers may pay City taxes via cash, check, electronic funds transfer, or a credit card (Visa, Mastercard, Discover and American Express). For each credit card transaction, the City is charged a fee by the merchant card company ranging from 0.07 percent to 2.15 percent, which have historically been absorbed by the City. These fees are paid through a combination of interest credits for a compensating balance with our banks (Bank of America, Wachovia, Wells Fargo) and an appropriation in the Treasurer's Bank Services Fees account. These merchant card fees will now be passed on to the taxpayer in order to achieve cost savings in bank services fees (estimated at \$1.05 million).	\$ 1,050,000	-	\$ 1,050,000	-
91. <b>Hiring Delays</b> Additional savings have been identified as a result of hiring delays.	\$ 246,063	-	\$ 246,063	-
<b>TOTAL FINANCE</b>	\$ 322,372	(15,000,000)	\$ (14,677,628)	362
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	4,433,702	(15,000,000)	(10,566,298)	(15)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 322,372	(15,000,000)	\$ (14,677,628)	362

## ATTACHMENT 2

## Fire

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
92. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,666,690)	-	\$ (1,666,690)	367
<b>Global Solutions</b>				
93. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 2,045,174	-	\$ 2,045,174	-
<b>TOTAL FIRE</b>	\$ 378,484	-	\$ 378,484	367

<b>2009-10 Baseline Budget Status</b>	\$ (1,666,690)	-	\$ (1,666,690)	367
Operational Plan Solutions	2,045,174	-	2,045,174	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 378,484	-	\$ 378,484	367

**ATTACHMENT 2**  
**General Services**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
94. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (22,403,135)	-	\$ (22,403,135)	2,081
<b>Global Solutions</b>				
95. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 10,690,800	-	\$ 10,690,800	-
<b>Targeted Separations</b>				
96. <b>Achieved Voluntary Employee Separations</b> Since July 1st, 11 employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 830,484	-	\$ 830,484	(11)
97. <b>Standards</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing Standards Service. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 262,781	-	\$ 262,781	(8)
98. <b>General Administrative and Support Services</b> Due to a lack of funds, decrease the Department's baseline employment by 26 employees performing General Administrative and Support Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 758,913	-	\$ 758,913	(25)
99. <b>Facilities Management - Parking Services</b> Due to a lack of funds, decrease the Department's baseline employment by 12 employees performing Parking Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 161,947	(80,000)	\$ 81,947	(12)
100. <b>Mail Services Division</b> Due to a lack of funds, decrease the Department's baseline employment by ten employees performing Mail Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 139,528	-	\$ 139,528	(8)
101. <b>Asset Management</b> Due to a lack of funds, decrease the Department's baseline employment by 12 employees performing Asset Management Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 327,753	-	\$ 327,753	(10)
102. <b>Custodial Services</b> Due to a lack of funds, decrease the Department's baseline employment by 117 employees performing Custodial Services. Because of the time required for Personnel Department to process layoffs, the amount reflects eight months of current year savings.	\$ 1,813,180	-	\$ 1,813,180	(72)

**ATTACHMENT 2**  
**General Services**

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Targeted Separations</b>						
103.	\$	-	-	\$	-	-
104. <b>Supply Services</b>	\$	936,292	-	\$	936,292	(38)
Due to a lack of funds, decrease the Department's baseline employment by 77 employees performing Supply Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.						
105. <b>Building Maintenance</b>	\$	852,039	-	\$	852,039	(28)
Due to a lack of funds, decrease the Department's baseline employment by 35 employees performing Building Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.						
106. <b>Security Services</b>	\$	346,140	-	\$	346,140	(17)
Due to a lack of funds, decrease the Department's baseline employment by 31 employees performing Security Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.						
107. <b>Fleet Services</b>	\$	612,031	-	\$	612,031	(23)
Due to a lack of funds, decrease the Department's baseline employment by 33 employees performing Fleet Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.						
<b>Increased Sources of Funds</b>						
108. <b>Reimbursements for Various Projects</b>	\$	-	1,827,792	\$	1,827,792	-
Recognize anticipated funding from various projects.						
<b>Other Changes or Adjustments</b>						
109. <b>Related Savings from Employee Work Furloughs</b>	\$	1,961,734	-	\$	1,961,734	-
The Department will generate savings in the Contractual Services Account as a result of closing various facilities due to the City's Work Furlough Program. Includes a transfer of funds from the Water and Electricity Fund.						
110. <b>Reductions in Expense Accounts</b>	\$	1,134,723	-	\$	1,134,723	-
Reduce various expense accounts including Utilities Private Expense, Contractual Services and Operating Supplies accounts.						
<b>TOTAL GENERAL SERVICES</b>	\$	(1,574,790)	1,747,792	\$	173,002	1,829

<b>2009-10 Baseline Budget Status</b>	\$ (22,403,135)	-	\$ (22,403,135)	2,081
Operational Plan Solutions	20,828,345	1,747,792	22,576,137	(252)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (1,574,790)</b>	<b>1,747,792</b>	<b>\$ 173,002</b>	<b>1,829</b>

**ATTACHMENT 2**  
**Housing Department**

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Baseline Budget Status</b>						
111. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$	-	-	\$	-	529
<b>Global Solutions</b>						
112. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$	-	(2,151,020)	\$	(2,151,020)	-
<b>Increased Revenues</b>						
113. <b>Anticipated Hires and Transfer Opportunities</b> The Department anticipates realizing special fund savings in the Salaries-General Account due to vacancies. However, there are 21 common classification vacancies that could be filled by employees who might otherwise be displaced. In addition, nine vacancies are for specialized classifications. The amount reflects lost revenue to the General Fund as related cost reimbursements.	\$	-	1,016,700	\$	1,016,700	-
114. <b>Transfer Opportunities - Inspectors</b> The Department identified six vacant specialized classifications that could be filled by employees at the Department of Building and Safety (DBS) who might otherwise be displaced. The Department is working with DBS to confirm that the placements are appropriate.	\$	-	106,532	\$	106,532	6
<b>TOTAL HOUSING DEPARTMENT</b>	\$	-	(1,027,788)	\$	(1,027,788)	535
<hr/>						
<b>2009-10 Baseline Budget Status</b>	\$	-	-	\$	-	529
Operational Plan Solutions		-	(1,027,788)		(1,027,788)	6
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$	-	(1,027,788)	\$	(1,027,788)	535

**ATTACHMENT 2**  
**Department of Human Services**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
115. <b>Baseline Budget Status</b>	\$ (201,380)	-	\$ (201,380)	29
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.				
<b>Global Solutions</b>				
116. <b>Employee Work Furloughs</b>	\$ 186,755	-	\$ 186,755	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.				
<b>Other Changes or Adjustments</b>				
117. <b>Financial Management System Project</b>	\$ 52,471	-	\$ 52,471	-
Recognize off-budget funding source (MICLA) and reimbursement for the Financial Management System Project, which will supplement salary funding during 2009-10.				
118. <b>As-Needed Salaries</b>	\$ 25,000	-	\$ 25,000	-
The Department will reduce expenditures in the Salaries As-Needed account by \$25,000 to partially offset the City's overall current year shortfall.				
<b>TOTAL DEPARTMENT OF HUMAN SERVICES</b>	<b>\$ 62,846</b>	<b>-</b>	<b>\$ 62,846</b>	<b>29</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	264,226	-	264,226	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 62,846</b>	<b>-</b>	<b>\$ 62,846</b>	<b>29</b>

ATTACHMENT 2  
Information Technology Agency

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
119. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (12,563,664)	-	\$ (12,563,664)	723
<b>Global Solutions</b>				
120. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 6,444,788	(426,167)	\$ 6,018,621	-
<b>Targeted Separations</b>				
121. <b>Achieved Voluntary Employee Separations</b> Since July 1st, eight employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs. In addition, one employee has returned from leave.	\$ 456,116	-	\$ 456,116	(8)
122. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated four voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 216,181	-	\$ 216,181	(4)
123. <b>Adopted Budget Layoff Savings</b> Implement the 2009-10 Adopted Budget reduction of 22 positions. The reduction has been postponed pending a decision on the Early Retirement Incentive Program/Coalition Agreement.	\$ 1,153,524	53,938	\$ 1,207,462	(22)
124. <b>Financial Management Information System</b> Due to a lack of funds, decrease the Department's baseline employment by one employee performing support of the legacy Financial Management Information System. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 37,504	-	\$ 37,504	(1)
125. <b>Finance and Administrative Support</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing support of the department's financial and administrative functions. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 215,134	-	\$ 215,134	(8)
126. <b>Strategic Planning and Policy Support</b> Due to a lack of funds, decrease the Department's baseline employment by four employees performing support of the Department's strategic planning and policy development. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 194,619	-	\$ 194,619	(4)

**ATTACHMENT 2**  
**Information Technology Agency**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Targeted Separations</b>				
<b>127. Business Systems Support</b>	\$ 90,106	-	\$ 90,106	(2)
Due to a lack of funds, decrease the Department's baseline employment by two employees performing support of the mainframe applications. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.				
<b>128. E-Forms Program</b>	\$ 86,763	-	\$ 86,763	(2)
Due to a lack of funds, decrease the Department's baseline employment by two employees performing support of the Department's E-Forms Program. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.				
<b>129. Inventory Consolidation</b>	\$ 46,669	-	\$ 46,669	(2)
Due to a lack of funds, decrease the Department's baseline employment by two employees performing communications equipment inventory support. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.				
<b>130. Supply Management System Support</b>	\$ 33,880	-	\$ 33,880	(1)
Due to a lack of funds, decrease the Department's baseline employment by one employee performing support of the Supply Management System (SMS). Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.				
<b>131. ServiceDesk Online System Support</b>	\$ 42,558	-	\$ 42,558	(1)
Due to a lack of funds, decrease the Department's baseline employment by one employee performing support of the ServiceDesk Online System (SOS). Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.				
<b>132. Shop Services Support</b>	\$ 160,481	-	\$ 160,481	(5)
Due to a lack of funds, decrease the Department's baseline employment by five employees performing shop services support. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.				
<b>133. Executive Desktop Support</b>	\$ 245,785	-	\$ 245,785	(6)
Due to a lack of funds, decrease the Department's baseline employment by six employees performing executive level desktop support. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.				

**ATTACHMENT 2**  
**Information Technology Agency**

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
Targeted Separations						
134. <b>Audio and Video Support</b> Due to a lack of funds, decrease the Department's baseline employment by four employees performing audio and video equipment coordination and use. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$	152,641	-	\$	152,641	(4)
135. <b>Police and Fire Application Support</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing support of Police and Fire Department applications. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$	87,999	-	\$	87,999	(2)
136. <b>Citywide Geographic Information System</b> Due to a lack of funds, decrease the Department's baseline employment by four employees performing support for the Citywide Geographic Information System. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$	177,477	-	\$	177,477	(4)
137. <b>LA CityView Channel 35</b> Due to a lack of funds, decrease the department's baseline employment by 15 employees performing support of LA CityView Channel 35. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$	474,129	-	\$	474,129	(15)
138. <b>Building and Safety Support</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing support for the Department of Building and Safety. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$	-	(107,420)	\$	(107,420)	(3)
139. <b>Network Engineering and Operations</b> Due to a lack of funds, decrease the Department's baseline employment by two employees performing telecommunications bill analysis. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$	72,368	-	\$	72,368	(2)
Increased Sources of Funds						
140. <b>Anticipated Reappropriation</b> Council approved in concept a \$2,200,000 reappropriation of surplus funds from the Department's 2008-09 Budget to its 2009-10 Salaries account. It is anticipated that this appropriation will occur through the First Financial Status Report.	\$	2,200,000	-	\$	2,200,000	-

ATTACHMENT 2  
Information Technology Agency

Operational Plan Items	Amounts		Net	Emp. Level
	Expenditure	Revenue		
<b>Increased Revenues</b>				
141. <b>Channel 36 Reduction</b>	\$ -	300,000	\$ 300,000	-
Due to a lack of funds, the \$300,000 appropriation in the Telecommunications Development Account for Channel 36 operations is eliminated. The amount will instead be added to the annual transfer from the Telecommunications Development Account to the General Fund.				
<b>Other Changes or Adjustments</b>				
142. <b>Communications Services Reductions</b>	\$ 480,000	-	\$ 480,000	-
The department is seeking to eliminate unused telephone lines and projects generating savings in its communications services account of \$480,000. These savings can be used to offset the City's overall current year shortfall.				
<b>TOTAL INFORMATION TECHNOLOGY AGENCY</b>	\$ 505,058	(179,649)	\$ 325,409	627

<b>2009-10 Baseline Budget Status</b>	\$ (12,563,664)	-	\$ (12,563,664)	723
Operational Plan Solutions	13,068,722	(179,649)	12,889,073	(96)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 505,058	(179,649)	\$ 325,409	627

## ATTACHMENT 2

## Mayor

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Baseline Budget Status</b>						
143. <b>Baseline Budget Status</b>	\$	-	-	\$	-	83
The adopted budgets of the Mayor and City Council include a 14% salary reduction which will be achieved through a combination of salary reductions, furloughs or layoffs to achieve balanced budgets.						
<b>TOTAL MAYOR</b>	\$	-	-	\$	-	83

<b>2009-10 Baseline Budget Status</b>	\$ -	-	\$ -	83
Operational Plan Solutions	-	-	-	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	83

**ATTACHMENT 2**  
**Neighborhood Empowerment**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
144. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (559,202)	-	\$ (559,202)	43
<b>Global Solutions</b>				
145. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 354,140	-	\$ 354,140	-
<b>Targeted Separations</b>				
146. <b>Achieved Voluntary Employee Separations</b> Since July 1st, three employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 247,761	-	\$ 247,761	(3)
147. <b>Staffing and Bonus Reductions</b> Due to lack of funds, eliminate bilingual bonuses and reduce staffing by eight positions in the following programs: Neighborhood Council System Development, Neighborhood Council Funding Program, Planning and Policy, and General Administration and Support.	\$ 320,499	-	\$ 320,499	(8)
<b>TOTAL NEIGHBORHOOD EMPOWERMENT</b>	<b>\$ 363,198</b>	<b>-</b>	<b>\$ 363,198</b>	<b>32</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	<b>\$ (559,202)</b>	<b>-</b>	<b>\$ (559,202)</b>	<b>43</b>
Operational Plan Solutions	922,400	-	922,400	(11)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 363,198</b>	<b>-</b>	<b>\$ 363,198</b>	<b>32</b>

## ATTACHMENT 2

## Personnel

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
148. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (5,277,916)	-	\$ (5,277,916)	487
<b>Global Solutions</b>				
149. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 3,601,115	-	\$ 3,601,115	-
<b>Targeted Separations</b>				
150. <b>Achieved Voluntary Employee Separations</b> Since July 1st, five employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 379,946	-	\$ 379,946	(5)
<b>TOTAL PERSONNEL</b>	\$ (1,296,855)	-	\$ (1,296,855)	482

<b>2009-10 Baseline Budget Status</b>	\$ (5,277,916)	-	\$ (5,277,916)	487
Operational Plan Solutions	3,981,061	-	3,981,061	(5)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ (1,296,855)</b>	<b>-</b>	<b>\$ (1,296,855)</b>	<b>482</b>

**ATTACHMENT 2**

**Planning**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
151. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,434,858)	-	\$ (1,434,858)	305
<b>Global Solutions</b>				
152. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 2,323,666	-	\$ 2,323,666	-
<b>Targeted Separations</b>				
153. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated eight voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 651,086	-	\$ 651,086	(8)
<b>Other Changes or Adjustments</b>				
154. <b>Building and Safety Enterprise Fund</b> Delete five months funding for four full-time and two half-time positions that provide systems support to the Department of Building and Safety. Although this action results in a decrease in funding provided by the Building and Safety Enterprise Fund, there is no net change in employment provided that savings from the City Planning Systems Development Fund offset the shortfall.	\$ -	-	\$ -	-
<b>TOTAL PLANNING</b>	\$ 1,539,894	-	\$ 1,539,894	297
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (1,434,858)	-	\$ (1,434,858)	305
Operational Plan Solutions	2,974,752	-	2,974,752	(8)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 1,539,894	-	\$ 1,539,894	297

## ATTACHMENT 2

## Police

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
155. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (31,719,900)	-	\$ (31,719,900)	3,269
<b>Global Solutions</b>				
156. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 22,100,000	-	\$ 22,100,000	-
<b>Targeted Separations</b>				
157. <b>Achieved Voluntary Employee Separations</b> Since the budget was adopted, 47 employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 6,232,000	-	\$ 6,232,000	(47)
158. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated 220 voluntary employee separations through the end of the fiscal year resulting in additional savings. Of this 220, the Department intends to backfill 105 positions, for a net of 115. Actual separations and backfills will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will reduce backfills and/or process sufficient layoffs to achieve this savings amount.	\$ 2,593,000	-	\$ 2,593,000	(115)
<b>TOTAL POLICE</b>	\$ (794,900)	-	\$ (794,900)	3,107
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (31,719,900)	-	\$ (31,719,900)	3,269
Operational Plan Solutions	30,925,000	-	30,925,000	(162)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ (794,900)	-	\$ (794,900)	3,107

ATTACHMENT 2  
Board of Public Works

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
159. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,893,125)	-	\$ (1,893,125)	132
<b>Global Solutions</b>				
160. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 636,036	(202,146)	\$ 433,890	-
<b>Targeted Separations</b>				
161. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated six voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 221,661	(71,186)	\$ 150,475	(6)
162. <b>Community Beautification Staff Reduction</b> Due to a lack of funds, decrease the department's baseline employment by two employees performing administrative services for the Community Beautification Program. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 59,048	-	\$ 59,048	(2)
163. <b>Board and Secretariat Staff Reduction</b> Due to a lack of funds, decrease the department's baseline employment by one employee performing clerical services for the Board Secretariat. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 15,352	(5,699)	\$ 9,653	(1)
164. <b>Office of Accounting Staff Reduction</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing accounting services for the Office of Accounting. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 211,993	(1,322)	\$ 210,671	(8)
<b>Increased Sources of Funds</b>				
165. <b>Interim Funding - Police Administration Building</b> Reduce the projected shortfall with anticipated interim funding from MICLA bond funds.	\$ 82,877	-	\$ 82,877	-
166. <b>Interim Funding - Prop Q</b> Reduce the projected shortfall with anticipated interim funding from Proposition Q bond funds.	\$ 82,877	-	\$ 82,877	-
167. <b>Interim Funding - Prop F</b> Reduce the projected shortfall with anticipated interim funding from Proposition F bond funds.	\$ 230,750	-	\$ 230,750	-

ATTACHMENT 2  
Board of Public Works

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Increased Sources of Funds</b>				
168. <b>Interim Funding - Prop O</b> Reduce the projected shortfall with anticipated interim funding from Proposition O bond funds.	\$ 82,877	-	\$ 82,877	-
169. <b>Interim Transfer - Seismic Bond</b> Reduce the projected shortfall with anticipated interim funding from Seismic bond funds.	\$ 212,869	-	\$ 212,869	-
170. <b>Interim Funding - Project Restore Director</b> Reduce the projected shortfall with anticipated interim funding from Project Restore and the Seismic bond.	\$ 122,503	-	\$ 122,503	-
<b>Other Changes or Adjustments</b>				
171. <b>Community Beautification Grant Reduction</b> The Community Beautification Program will be suspended for 2009-10 resulting in a General Fund savings of \$525,000.	\$ 525,000	-	\$ 525,000	-
<b>TOTAL BOARD OF PUBLIC WORKS</b>	<b>\$ 590,718</b>	<b>(280,353)</b>	<b>\$ 310,365</b>	<b>115</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	2,483,843	(280,353)	2,203,490	(17)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 590,718</b>	<b>(280,353)</b>	<b>\$ 310,365</b>	<b>115</b>

**ATTACHMENT 2**  
**Bureau of Contract Administration**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
172. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (1,789,534)	-	\$ (1,789,534)	360
<b>Global Solutions</b>				
173. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 1,883,452	(462,112)	\$ 1,421,340	-
<b>Targeted Separations</b>				
174. <b>Achieved Voluntary Employee Separations</b> Since July 1st, three employees have separated from the Department. The Department has no intent to backfill this separation. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 207,480	-	\$ 207,480	(3)
175. <b>Expected Voluntary Employee Separations</b> The Department reports an estimated six voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 420,674	(105,168)	\$ 315,506	(6)
176. <b>Construction Inspection</b> Due to a lack of funds, decrease the Department's baseline employment by four employees performing Construction Inspection Services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 149,240	-	\$ 149,240	(4)
<b>Increased Sources of Funds</b>				
177. <b>Interim Funding - Police Administration Building</b> Reduce the projected shortfall with anticipated interim funding from MICLA bond funds.	\$ 506,283	-	\$ 506,283	-
178. <b>Interim Funding - Fire Bond</b> Reduce the projected shortfall with anticipated interim funding from Fire bond funds.	\$ 263,881	-	\$ 263,881	-
179. <b>Interim Funding - Prop Q</b> Reduce the projected shortfall with anticipated interim funding from Proposition Q bond funds.	\$ 149,300	-	\$ 149,300	-
180. <b>Interim Funding - Library Bond</b> Reduce the projected shortfall with anticipated interim funding from Library bond funds.	\$ 52,931	-	\$ 52,931	-

ATTACHMENT 2

TOTAL BUREAU OF CONTRACT ADMINISTRATION

\$	1,843,707	(567,280)	\$	1,276,427	347
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2009-10 Baseline Budget Status	\$	(1,789,534)	-	\$	(1,789,534)	360
Operational Plan Solutions		3,633,241	(567,280)		3,065,961	(13)
2009-10 ADJUSTED BUDGET STATUS	\$	1,843,707	(567,280)	\$	1,276,427	347

**ATTACHMENT 2**  
**Bureau of Engineering**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
181. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (9,207,874)	-	\$ (9,207,874)	953
<b>Global Solutions</b>				
182. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 3,604,146	-	\$ 3,604,146	-
<b>Targeted Separations</b>				
183. <b>Expected Voluntary Employee Separations</b> The Bureau reports an estimated two voluntary employee separations through the end of the fiscal year resulting in additional savings. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council. If voluntary separations do not occur as planned, the Department will process sufficient layoffs to achieve this savings amount.	\$ 160,881	-	\$ 160,881	(2)
184. <b>Achieved Voluntary Furlough Savings</b> The Bureau reports actual savings from the Voluntary Furlough Days program.	\$ 14,583	-	\$ 14,583	-
185. <b>Privately Financed Program Reduction</b> Due to lack of funds, decrease the department's baseline employment by one employee in the Central District Office.	\$ 45,804	-	\$ 45,804	(1)
<b>Increased Sources of Funds</b>				
186. <b>Interim Funding - Police Administration Building</b> Reduce the projected deficit with anticipated interim funding from MICLA bond funds.	\$ 831,996	-	\$ 831,996	-
187. <b>Interim Funding - Proposition Q Program</b> Reduce the projected deficit with anticipated interim funding from Proposition Q bond funds.	\$ 1,037,877	-	\$ 1,037,877	-
188. <b>Interim Funding - Storm Damage Repair Program</b> Reduce the projected deficit with interim funding from MICLA bond funds and the Public Works Trust Fund.	\$ 321,116	-	\$ 321,116	-
189. <b>Interim Funding - Proposition O Program</b> Reduce the projected deficit with anticipated interim funding from Proposition O bond funds.	\$ 1,700,000	-	\$ 1,700,000	-
190. <b>Interim Funding - Library Bond Program</b> Reduce the projected deficit with anticipated interim funding from Library bond funds.	\$ 59,691	-	\$ 59,691	-
191. <b>Interim Funding - Proposition F Fire Bond</b> Reduce the projected deficit with anticipated interim funding from Proposition F bond funds.	\$ 1,049,177	-	\$ 1,049,177	-

ATTACHMENT 2  
Bureau of Engineering

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Increased Sources of Funds</b>				
192. <b>Interim Funding - Proposition F Animal Bond</b> Reduce the projected deficit with anticipated interim funding from Proposition F bond funds.	\$ 302,885	-	\$ 302,885	-
193. <b>Interim Funding - Bridge Improvement Program</b> Reduce the projected deficit with anticipated interim funding from Seismic bond funds.	\$ 2,100,000	-	\$ 2,100,000	-
194. <b>Interim Funding - MTA Metro Rail</b> Reduce the projected deficit with anticipated interim funding from Proposition A Fund.	\$ 210,550	-	\$ 210,550	-
195. <b>Interim Funding - Westfield Projects</b> Reduce the projected deficit with anticipated interim funding from Major Projects Review Trust Fund for the Westfield Century City and Valley projects.	\$ 109,683	-	\$ 109,683	-
196. <b>Interim Funding - Universal Projects</b> Reduce the projected deficit with anticipated interim funding from Major Projects Review Trust Fund for the Metro Universal Project and Universal City Vision Plan.	\$ 109,683	-	\$ 109,683	-
197. <b>Interim Funding - Expedited Plan and Development</b> Reduce the projected deficit with anticipated interim funding from Engineering Special Services Fund and Public Works Trust Fund for expedited plan check and development work.	\$ 600,000	-	\$ 600,000	-
<b>Other Changes or Adjustments</b>				
198. <b>West Los Angeles District Office Consolidation</b> Reduce funding from the General Fund with the closure of the West Los Angeles District Office and reassign eight positions to special funded programs.	\$ 460,390	-	\$ 460,390	-
199. <b>CD 14 Neighborhood City Hall Renovations</b> Reassign one position to special funded program and suspend renovation work after completion of seismic repairs.	\$ 75,585	-	\$ 75,585	-
200. <b>Swimming Pools Renovations</b> Reassign two positions to special funded programs and suspend renovations of three swimming pools - 109th Street, Costello and Lincoln.	\$ 133,734	-	\$ 133,734	-
<b>TOTAL BUREAU OF ENGINEERING</b>	<b>\$ 3,719,907</b>	<b>-</b>	<b>\$ 3,719,907</b>	<b>950</b>
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	12,927,781	-	12,927,781	(3)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 3,719,907</b>	<b>-</b>	<b>\$ 3,719,907</b>	<b>950</b>

**ATTACHMENT 2**  
**Bureau of Sanitation**

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Baseline Budget Status</b>						
201. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$	-	-	\$	-	2,719
<b>Global Solutions</b>						
202. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$	-	(12,303,029)	\$	(12,303,029)	-
<b>TOTAL BUREAU OF SANITATION</b>	\$	-	(12,303,029)	\$	(12,303,029)	2,719
<b>2009-10 Baseline Budget Status</b>	\$	-	-	\$	-	2,719
Operational Plan Solutions		-	(12,303,029)		(12,303,029)	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$	-	(12,303,029)	\$	(12,303,029)	2,719

**ATTACHMENT 2**  
**Bureau of Street Lighting**

Operational Plan Items	Amounts			Emp. Level		
	Expenditure	Revenue	Net			
<b>Baseline Budget Status</b>						
203. <b>Baseline Budget Status</b>	\$	-	-	\$	-	215
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.						
<b>Other Changes or Adjustments</b>						
204. <b>LED Program</b>	\$	-	284,524	\$	284,524	11
The Light Emitting Diode (LED) Conversion Program is the critical piece of the Bureau of Street Lighting's effort to keep the Street Lighting Maintenance Assessment Fund (SLMAF) from operating at a deficit. Allow the Bureau to fill and backfill the 11 resolution authority positions authorized in the 2009-10 Budget to ensure the program reaches its target without delays. Filling the positions will generate revenue to the General Fund for Related Costs.						
205. <b>Gas Tax Project Reduction</b>	\$	-	-	\$	-	-
Due to a lack of funds in the Special Gas Tax Street Improvement Fund, decrease the Bureau's Gas Tax appropriation and eliminate three vacant, partially Gas Tax-funded Street Lighting Engineering Associate II positions performing design and construction. This adjustment will not reduce the Bureau's baseline employment cost.						
<b>TOTAL BUREAU OF STREET LIGHTING</b>	\$	-	284,524	\$	284,524	226
<hr/>						
<b>2009-10 Baseline Budget Status</b>	\$	-	-	\$	-	215
Operational Plan Solutions		-	284,524		284,524	11
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$	-	284,524	\$	284,524	226

**ATTACHMENT 2**  
**Bureau of Street Services**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
206. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (11,547,948)	-	\$ (11,547,948)	1,361
<b>Global Solutions</b>				
207. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Bureau will manage employee schedules to minimize service level impacts.	\$ 3,687,193	-	\$ 3,687,193	-
<b>Targeted Separations</b>				
208. <b>Achieved Voluntary Employee Separations</b> Since July 1st, 22 employees have separated from the Bureau. The backfilling of these separations is not anticipated. However, should backfills occur, they must be offset with a corresponding number of layoffs.	\$ 1,347,797	-	\$ 1,347,797	(22)
<b>Increased Sources of Funds</b>				
209. <b>Century City Traffic Protection Trust Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$14,500, from the Century City Neighborhood Traffic Protection Trust Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 14,500	-	\$ 14,500	-
210. <b>Subventions and Grants - Comm. Redel. Agency</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$1,430,000, from Subventions and Grants relative to CRA projects. These funds are expected to be transferred to the Salaries, General account in 2009-10.	\$ 1,430,000	-	\$ 1,430,000	-
211. <b>Street Furniture Revenue Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$325,000, from the Street Furniture Revenue Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 325,000	-	\$ 325,000	-
212. <b>Real Property Trust Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$715,000, from the Real Property Trust Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 715,000	-	\$ 715,000	-
213. <b>Community Development Trust Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$300,000, from the Community Development Trust Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 300,000	-	\$ 300,000	-
214. <b>MICLA Lease Revenue</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$513,423, from MICLA Lease Revenue. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 513,423	-	\$ 513,423	-

ATTACHMENT 2  
Bureau of Street Services

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Increased Sources of Funds</b>				
215. <b>Special Parking Revenue Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$160,000, from the Special Parking Revenue Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 160,000	-	\$ 160,000	-
216. <b>Sewer Operations and Maintenance Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$16,250, from the Sewer Operations and Maintenance Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 16,250	-	\$ 16,250	-
217. <b>Subventions and Grants - Harbor</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$351,000, from Subventions and Grants relative to City Harbor projects. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 351,000	-	\$ 351,000	-
218. <b>Public Works Trust Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$638,400, from the Public Works Trust Fund. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 638,400	-	\$ 638,400	-
219. <b>Special Gas Tax Improvement Fund</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$2,145,000, from Special Gas Tax Improvement Fund. These funds are expected to be transferred to the Salaries, General account in 2009-10.	\$ 2,145,000	-	\$ 2,145,000	-
220. <b>American Recovery and Reinvestment Act of 2009</b> The Bureau anticipates an interim budget adjustment, totaling approximately \$8,900,000, from the American Recovery and Reinvestment Act of 2009. These funds are expected to be transferred to the Salaries, General account in 2009-10.	\$ 8,900,000	-	\$ 8,900,000	-
<b>Other Changes or Adjustments</b>				
221. <b>Reimbursements for Various Projects</b> Recognize anticipated funding from various projects.	\$ -	-	\$ -	-
<b>TOTAL BUREAU OF STREET SERVICES</b>	<b>\$ 8,995,615</b>	<b>-</b>	<b>\$ 8,995,615</b>	<b>1,339</b>

<b>2009-10 Baseline Budget Status</b>	<b>\$ (11,547,948)</b>	<b>-</b>	<b>\$ (11,547,948)</b>	<b>1,361</b>
Operational Plan Solutions	20,543,563	-	20,543,563	(22)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 8,995,615</b>	<b>-</b>	<b>\$ 8,995,615</b>	<b>1,339</b>

**ATTACHMENT 2**  
**Transportation**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
222. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (10,620,530)	-	\$ (10,620,530)	1,607
<b>Global Solutions</b>				
223. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 8,065,516	(11,358,310)	\$ (3,292,794)	-
<b>Targeted Separations</b>				
224. <b>Reduction of Franchise/Taxicab Regulations Staff</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing Franchise and Taxicab Regulations Enforcement administration. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 94,828	-	\$ 94,828	(3)
225. <b>Reduction in General Fund Planning and Land Use</b> Due to a lack of funds, decrease the Department's baseline employment by one employee performing transit planning and land use services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 37,600	-	\$ 37,600	(1)
226. <b>Preferential/Overnight Parking Districts Staff</b> Due to a lack of funds, decrease the Department's baseline employment by eight employees performing Preferential and Overnight Parking District support services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 239,451	-	\$ 239,451	(8)
227. <b>Parking Adjudication Support Services</b> Due to a lack of funds, decrease the Department's baseline employment by one employee performing parking adjudication support services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 34,973	-	\$ 34,973	(1)
228. <b>Neighborhood Traffic Management Studies</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing neighborhood traffic management and control studies. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 112,799	-	\$ 112,799	(3)
229. <b>General Funded Transportation Design</b> Due to a lack of funds, decrease the Department's baseline employment by ten employees performing General Funded transportation signal design and signal timing. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 345,752	-	\$ 345,752	(10)

**ATTACHMENT 2**  
**Transportation**

Operational Plan Items	Amounts			Emp. Level	
	Expenditure	Revenue	Net		
<b>Targeted Separations</b>					
230. <b>Reduction in Technology Support</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing technology support services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 66,984	-	\$ 66,984	(3)	
231. <b>Contract Administration and Facilities Mgmt</b> Due to a lack of funds, decrease the Department's baseline employment by three employees performing contract administration, facilities management and personnel services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 95,071	-	\$ 95,071	(3)	
<b>Increased Sources of Funds</b>					
232. <b>Reimbursement from Other Funds</b> The Department anticipates an interim budget adjustment from other special funds. These funds are expected to be transferred to the Salaries General account in 2009-10.	\$ 1,786,701	-	\$ 1,786,701	-	
<b>Increased Revenues</b>					
233. <b>Reassignment of Special Services Traffic Officer</b> The Department reports an estimated \$5.6 million in increased parking citation revenue due to the reassignment of 37 Traffic Officers in the Special Traffic Services and Support Division to general duties in the Parking Enforcement Division.	\$ -	5,613,022	\$ 5,613,022	-	
234. <b>Redeployment - Overnight Parking Enforcement</b> The Department reports an estimated \$1.2 million in increased parking citation revenue due to the redeployment of 29 Traffic Officers from an A.M. Shift to a new Centralized Overnight Reponse Team. The Department reports that 24-hour deployment of Traffic Officers will continue throughout the City.	\$ -	1,184,452	\$ 1,184,452	-	
235. <b>Reassign Busiest Intersection Traffic Officers</b> The Department reports an estimated \$234 thousand in increased parking citation revenue due to the reassignment of 20 Traffic Officers providing traffic control at the City's 51 busiest intersections to general duties in the Parking Enforcement Division.	\$ -	233,901	\$ 233,901	-	
<b>TOTAL TRANSPORTATION</b>	\$ 259,145	(4,326,935)	\$ (4,067,790)	1,575	

<b>2009-10 Baseline Budget Status</b>	\$ (10,620,530)	-	\$ (10,620,530)	1,607
Operational Plan Solutions	10,879,675	(4,326,935)	6,552,740	(32)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 259,145	(4,326,935)	\$ (4,067,790)	1,575

## ATTACHMENT 2

## Treasurer

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
236. <b>Baseline Budget Status</b>	\$ (304,442)	-	\$ (304,442)	39
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.				
<b>Global Solutions</b>				
237. <b>Employee Work Furloughs</b>	\$ 298,335	-	\$ 298,335	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.				
<b>Targeted Separations</b>				
238. <b>Achieved Voluntary Employee Separations</b>	\$ -	-	\$ -	-
<b>Other Changes or Adjustments</b>				
239. <b>Expense Savings</b>	\$ 6,107	-	\$ 6,107	-
Transfer savings from various expense accounts to offset the department's remaining salary shortfall.				
<b>TOTAL TREASURER</b>	\$ -	-	\$ -	39
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	304,442	-	304,442	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	39

## ATTACHMENT 2

## Zoo

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
240. <b>Baseline Budget Status</b>	\$ 961,184	-	\$ 961,184	219
The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.				
<b>Global Solutions</b>				
241. <b>Employee Work Furloughs</b>	\$ 1,331,295	-	\$ 1,331,295	-
Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.				
<b>TOTAL ZOO</b>	\$ 2,292,479	-	\$ 2,292,479	219
<b>2009-10 Baseline Budget Status</b>				
	\$ 961,184	-	\$ 961,184	219
Operational Plan Solutions	1,331,295	-	1,331,295	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 2,292,479	-	\$ 2,292,479	219

**ATTACHMENT 2**

**Library**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
242. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (6,362,900)	-	\$ (6,362,900)	1,371
<b>Global Solutions</b>				
243. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 6,309,710	-	\$ 6,309,710	-
<b>Other Changes or Adjustments</b>				
244. <b>Expense Accounts Reduction</b> Reduce various expense accounts and transfer \$939,425 to to be used to offset the city's overall current year shortfall.	\$ 53,190	-	\$ 53,190	-
<b>TOTAL LIBRARY</b>	\$ -	-	\$ -	1,371

<b>2009-10 Baseline Budget Status</b>	\$ (6,362,900)	-	\$ (6,362,900)	1,371
Operational Plan Solutions	6,362,900	-	6,362,900	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	1,371

**ATTACHMENT 2**  
**Recreation and Parks**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
245. <b>Baseline Budget Status</b> The Baseline Budget Status for the department was determined by calculating the annual salaries necessary to maintain beginning of fiscal year employment levels and then subtracting the amount from the 2009-10 Adopted Budget salaries appropriation.	\$ (16,756,819)	-	\$ (16,756,819)	1,890
<b>Global Solutions</b>				
246. <b>Employee Work Furloughs</b> Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.	\$ 10,911,608	-	\$ 10,911,608	-
<b>Targeted Separations</b>				
247. <b>Achieved Voluntary Employee Separations</b> Since July 1st, 23 employees have separated from the Department. The Department has no intent to backfill these separations. Should backfills occur, the Department will process a corresponding number of layoffs.	\$ 1,150,000	-	\$ 1,150,000	(23)
248. <b>Recreation Staff Reduction</b> Due to a lack of funds, decrease the Department's baseline employment by 35 employees performing recreation services. Because of the time required for Personnel Department to process layoffs, the amount reflects five months of current year savings.	\$ 804,071	-	\$ 804,071	(35)
<b>Other Changes or Adjustments</b>				
249. <b>Salaries As-Needed Adjustment</b> Due to lack of funds, decrease the Department's Salaries As-Needed account by ten percent.	\$ 3,891,140	-	\$ 3,891,140	-
<b>TOTAL RECREATION AND PARKS</b>	\$ -	-	\$ -	1,832
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (16,756,819)	-	\$ (16,756,819)	1,890
Operational Plan Solutions	16,756,819	-	16,756,819	(58)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ -	-	\$ -	1,832

## ATTACHMENT 2

## Citywide Civilian

Operational Plan Totals	Amounts			Emp. Level
	Expenditure	Revenue	Net	
2009-10 Baseline Budget Status	\$ (165,560,306)	-	\$ (165,560,306)	22,725
Operational Plan Solutions	185,376,779	(31,876,393)	153,500,386	(926)
2009-10 ADJUSTED BUDGET STATUS	\$ 19,816,473	(31,876,393)	\$ (12,059,920)	21,799

Four-Year Budget Outlook (\$ millions)

ATTACHMENT 3

	2009-10 Adopted	2009-10 Revised	2010-11	2011-12	2012-13
<b>ESTIMATED GENERAL FUND REVENUE</b>					
General Fund Base (1)	\$ 4,553.7	\$ 4,553.7	\$ 4,324.5	\$ 4,210.8	\$ 4,221.7
Revenue Growth (2)					
Property Related Taxes	(62.8)	(62.8)	(60.5)	2.9	30.7
Sales and Business Taxes	(78.1)	(92.3)	(35.8)	6.8	20.6
Utility Users' Tax	30.3	21.5	(5.9)	19.6	36.7
License, Permits and Fees	(81.1)	(94.1)	(7.1)	(7.0)	-
Other Fees, Taxes and Transfers	(23.6)	(27.0)	(15.0)	24.6	21.9
SPRF Transfer	61.3	25.3	10.6	(36.0)	-
<b>Total Revenue</b>	<b>\$ 4,399.8</b>	<b>\$ 4,324.5</b>	<b>\$ 4,210.8</b>	<b>\$ 4,221.7</b>	<b>\$ 4,331.6</b>
<i>General Fund Revenue Increase %</i>	<i>-3.4%</i>	<i>-5.0%</i>	<i>-2.6%</i>	<i>0.3%</i>	<i>2.6%</i>
<i>General Fund Revenue Increase \$</i>	<i>(154.0)</i>	<i>(229.3)</i>	<i>(113.6)</i>	<i>10.9</i>	<i>109.9</i>
<i>Revenue Shortfall</i>					
<b>ESTIMATED GENERAL FUND EXPENDITURES</b>					
General Fund Base (3)	\$ 4,553.7	\$ 4,553.7	\$ 4,729.7	\$ 5,031.6	\$ 5,282.3
Incremental Changes to Base: (4)					
Employee Compensation Adjustments (5a)	75.0	75.0	55.6	50.5	31.5
Shared Responsibility and Sacrifice (5b)	(319.9)	(319.9)	-	-	-
City Employees Retirement System (6)	(14.4)	(14.4)	120.1	77.0	17.0
Fire and Police Pensions (6)	29.7	29.7	53.6	90.6	98.1
Workers Compensation Benefits (7)	1.4	1.4	10.9	11.8	12.7
Health and Dental Benefits (8)	8.9	8.9	35.7	34.9	38.4
Debt Service (9)	40.8	40.8	0.7	(12.4)	(7.3)
Expense CPI Increases (10)	-	-	6.7	6.9	7.0
Delete Reso. Authorities & One-Time Costs (11)	(105.7)	(105.7)	-	-	-
Unappropriated Balance (12)	60.5	60.5	-	-	-
New Facilities (13)	3.1	3.1	5.5	6.0	9.3
City Elections (14)	(16.9)	(16.9)	17.4	(17.4)	17.9
Police 1,000 Officers Hiring Plan (15)	6.1	6.1	-	-	-
CIEP (16)	7.5	7.5	42.4	2.9	2.3
Appropriation to the Reserve Fund	46.7	46.7	(46.7)	-	-
Net - Other Additions and Deletions	23.3	23.3	-	-	-
2009-10 Estimated Shortfall		329.9			
<b>Subtotal Expenditures</b>	<b>\$ 4,399.8</b>	<b>\$ 4,729.7</b>	<b>\$ 5,031.6</b>	<b>\$ 5,282.3</b>	<b>\$ 5,509.3</b>
<i>Expenditure Growth %</i>	<i>-3.4%</i>	<i>4.9%</i>	<i>14.4%</i>	<i>5.0%</i>	<i>4.3%</i>
<i>Expenditure Growth \$</i>	<i>(153.9)</i>	<i>219.7</i>	<i>631.8</i>	<i>250.7</i>	<i>227.0</i>
<b>TOTAL BUDGET GAP</b>					
	<b>\$ (0.0)</b>	<b>\$ (405.2)</b>	<b>\$ (820.8)</b>	<b>\$ (1,060.6)</b>	<b>\$ (1,177.7)</b>
<i>Incremental Increase %</i>				<i>29.2%</i>	<i>11.0%</i>
<i>Incremental Increase \$</i>				<i>(239.8)</i>	<i>(117.1)</i>

**ATTACHMENT 4  
FOUR-YEAR GENERAL FUND BUDGET OUTLOOK FOOTNOTES**

**REVENUE:**

(1) General Fund (GF) Base: The General Fund revenue growth is separated from the revenue base. This base excludes the Reserve Fund transfer to the budget.

(2) Revenue Growth: Future year revenue projections have been revised to reflect the growing consensus among economists that the economy is in a long-term recession. Additionally, downward adjustments are likely depending on the length and severity of this recession. Amounts represent projected incremental change to the base. Refer to the Revenue Outlook for detail of each revenue category.

**ESTIMATED GENERAL FUND EXPENDITURES:**

(3) Estimated Expenditure General Fund Base: Using the 2008-09 General Fund budget as the baseline year, the General Fund base is the "Total Obligatory and Potential Expenditures" carried over to the following fiscal year.

(4) The 2009-10 incremental changes reflect funding adjustments to the 2008-09 General Fund budget. The 4-year outlook expenditures included for subsequent years are limited to those obligatory and major expenses known at this time and are subject to change. Amounts represent projected incremental change to the base.

(5a) Employee Compensation Adjustments: This includes cost of living adjustment (COLA), change in number of working days, salary step and turnover effect, and full funding for partially financed positions. On Dec. 19, 2007, the Mayor and Council approved the 2007-2012 Memorandum of Understanding (MOU) for the Coalition of the Los Angeles City Union and Management Attorneys Unit. The approved COLAs are reflected in the chart below. Step increases that apply to all workers who have been on Step 5 for one year and to most flat-rated workers at the time of the increase will be effective January 1<sup>st</sup> of 2010, 2011, and 2012.

Civilian MOUs	2007-08	2008-09	2009-10	2010-11	2011-12
COLA	2% + 2%	3%	3%	2.25%	2.25%
Step/Increase			2.75%	2.75%	2.75%

Sworn labor contracts expire on 6/30/2009 and include the last COLA of 3.75% on 7/1/2008. No Sworn COLA's are assumed in 2009-10 and future years.

(5b) The 2009-10 Adopted Budget includes a \$326.6 million reduction entitled "Shared Responsibility and Sacrifice". Of the total, \$319.9 million is for salaries and \$6.7 million is for civilian retirement contribution adjustments.

(6) City Employment Retirement System (LACERS) and Fire & Police Pensions (Pensions): The LACERS and Pensions contribution are estimated based on information from the departments' actuaries and include COLA assumptions. The estimates are mostly driven by changes in assumptions and investment returns. The forecast assumptions summarized in the chart below are as follows:

Assumptions	Market Corridor	Smoothing	2008- 09	2009-10	2010-11	2011-12	2012-13
Investment Returns			(20)%	0%	8%	8%	8%
Contribution Rates							
LACERS	80:120	5 year	20.17%	19.46%	26.38%	30.18%	30.42%
Pensions (approved)	60:140	7 year	26.23%	28.24%	32.50%	39.70%	47.50%

(7) Workers Compensation Benefits (WC): The WC budget increase of 8% is applied through 2011-12.

(8) Health and Dental Benefits: Mercer Consulting provides the civilian plan forecast. Projected civilian employee FLEX benefits reflect medical subsidy increases of 9.19% for 2009; 8.71% for 2010; 8.23% for 2011; and 7.74% for 2012, with no annual increase for enrollment starting in 2010-11. Police and Fire health medical subsidy rates are historically higher and assumed to be 2% more than the civilian rates due to the type of coverage and lower deductible health plans. Police enrollment projections are consistent with the hiring plan.

(9) Debt Service: The debt service amounts include Capital Finance and Judgement Obligation Bond budgets. The Motorola lease payments for the Public Safety Radio Replacement and Police headquarters facilities debt service starts in 2009-10.

(10) Expense CPI Increases: The CPI increases in future years are anticipated at 2% per annum.

(11) Delete One-time Resolution Authorities and Other Costs: Reflects City practice of deleting programs and costs that are limited-term and temporary in nature at the start of the budget process. Funding for these positions, programs, and expenses is reviewed on a case-by-case basis and dependent upon continuing need for the fiscal year. Continued or new items added are embedded in the "Net – Additions and Deletions" line item of the forecast. None are deleted in subsequent years to provide a placeholder for continuation of resolution authority positions for various programs, as well as equipment, and other one-time expenses incurred annually. As such, these costs are therefore incorporated into the beginning General Fund base of subsequent years.

(12) Unappropriated Balance (UB): The total 2009-10 UB budget is not eliminated the following year to provide a placeholder for various ongoing and/or contingency requirements in the following years.

(13) New Facilities: Funding projections are based on preliminary departmental estimates for ongoing staffing and expenses that have not been prioritized.

(14) Elections: Citywide elections occur bi-annually.

(15) The original Police Hiring Plan called for the recruitment of 1,000 net new officers during 2005-06 to 2009-10. Due to the economic recession, funding for Police recruitment covers attrition only in 2009-10 and subsequent years. Costs include salaries and expense.

(16) Capital Improvement Expenditure Program (CIEP): The 2009-10 budget includes \$7.5 million for various capital projects. For future years, the CIEP amounts assume compliance with the policy of budgeting 1% of the General Fund for capital improvement projects.

## RESOLUTION

**WHEREAS**, due to declines in revenue estimates, significant increases in expenditures, and ongoing weak economic conditions nationally, regionally and locally, the City of Los Angeles continues to face an approximate \$405 million General Fund deficit for the 2009-10 fiscal year; and

**WHEREAS**, on May 18, 2009, the City Council adopted a 2009-2010 Budget, which instituted various austerity measures to address an anticipated budget shortfall of \$529 million, including a \$320 million Shared Responsibility and Sacrifice (SRS) line item which represented approximately a 14% reduction in General Fund salaries; and

**WHEREAS**, of the \$320 million SRS, the civilian share represented \$139 million, the Fire Department's sworn share represented \$52 million, and the Police Department's sworn share represented \$129 million; and

**WHEREAS**, simultaneous with the adoption of the 2009-2010 Budget, the City Council declared a fiscal emergency and adopted an ordinance to allow for the implementation of budget balancing solutions in the form of mandatory furloughs for civilian employees, commencing July 1, 2009; and

**WHEREAS**, prior to unilateral implementation of these austerity measures, at the behest of labor leaders, the City Council instructed its bargaining agent, the City Administrative Officer (CAO) to evaluate and negotiate with all civilian unions a cost-neutral Early Retirement Incentive Program (ERIP) to address the budgetary shortfall; and

**WHEREAS**, on June 26, 2009, the City Council instructed the CAO to enter into a tentative agreement with the Coalition of City Unions, which would amend existing Memoranda of Understanding to defer salary increases, eliminate the City's subsidy for the Defrayal Group and increase employee pension contribution rates by 0.75% in exchange for no layoffs or furloughs; and

**WHEREAS**, as required by State law and the City Charter, the City Council's approval of the ERIP was contingent upon completion of an actuarial study that would outline the costs/benefits of the program; and

**WHEREAS**, it is anticipated only an average of four months of savings in the amount of approximately \$23 million will be achieved during the current fiscal year, a difference of \$88 million less than the \$111 million originally anticipated; and

**WHEREAS**, due to restrictions on involuntary employee transfers under the City's Charter and Civil Service Rules, only \$12 million of the \$23 million in ERIP savings may be applied to address the General Fund deficit, a difference of \$73 million, which is less than the \$85 million originally anticipated; and

SEP 15 2009

SEP 18 2009

**WHEREAS**, the completed actuarial study also indicates that the elimination of the City's subsidy for the Defrayal Group and the increased employee contribution rate of 0.75% will not be sufficient to offset the costs of the proposed ERIP; and

**WHEREAS**, delays in implementing the 400 position eliminations in 2009-2010 Budget originally planned to take effect July 1, 2009 have resulted in an increased cost of \$10 million; and

**WHEREAS**, delays in implementing the furloughs for Coalition represented employees, originally planned to take effect July 1, 2009 have resulted in an increased cost of approximately \$16.5 million; and

**WHEREAS**, the continued slowdown and slower than expected recovery of the City's economically sensitive revenues, including property tax, sales tax, and transient occupancy tax, have resulted in a projected revenue decline of \$75 million since the 2009-2010 Budget was adopted; and

**WHEREAS**, extremely large, unplanned liability claims expenditures have resulted in an increased cost to the City of approximately \$89 million since the 2009-2010 Budget was adopted; and

**WHEREAS**, the City has recently experienced an unplanned increase of \$5.8 million in the General Fund obligation to pay for residents who have fallen below the poverty threshold and require a subsidy for solid waste charges; and

**WHEREAS**, the City's inability to secure implementation of civilian and sworn labor concessions by expected deadlines has resulted in expenditures exceeding projected revenue by over \$1 million per working day for the remainder of the 2009-2010 Fiscal Year, totaling approximately \$247 million; and

**WHEREAS**, the State's continued failure to resolve its dire budgetary situation threatens further declines in City revenues that are not possible to quantify at this time; and

**WHEREAS**, the September 4, 2009 report from the City Controller indicates that the City's General Fund Cash flow must be addressed by increasing salary appropriations or reducing salary expenditures, and the failure to act will result in the City expending all General Fund cash including the \$150 million dollar Reserve Fund by May 2010; and

**WHEREAS**, the recent Station Fire is an example of an unplanned expenditure of over \$1.1 million, and while this expenditure will be reimbursed by the State the timing and amount of the reimbursement is unknown and further compounds the City's General Fund cash flow problem; and

**WHEREAS**, continued economic declines have impacted the carry over funds from the 2008-2009 Budget, resulting in \$46 million reduction in the City's Reserve Fund; and

**WHEREAS**, on August 6, 2009, with City Council approval, the Fire Department implemented the Modified Deployment Plan to reallocate fire resources throughout the City which is expected to offset the Fire Department's \$52 million sworn SRS by \$39 million; and

**WHEREAS**, the City Administrative Officer has engaged in negotiations with the United Firefighters Los Angeles City to find ways to address the Fire Department's remaining \$13 million sworn SRS; and

**WHEREAS**, to date, these efforts have failed to address the balance of the Fire Department's sworn SRS; and

**WHEREAS**, measures to address the Fire Department's remaining \$13 million sworn SRS will be identified and achieved either through continued negotiations or unilateral implementation; and

**WHEREAS**, the CAO has engaged in negotiations with the Police Protective League to find ways to address the Police Department's \$129 million sworn SRS; and

**WHEREAS**, to date, these efforts have failed to address the Police Department's sworn SRS; and

**WHEREAS**, the further deterioration of the City's financial situation since May 2009 now requires additional, immediate cost-saving actions to address the fiscal and cash crisis facing the City; and

**WHEREAS**, immediate and comprehensive action to further reduce spending must be taken to ensure, to the maximum extent possible, that the essential services of the City are not jeopardized and public health and safety are preserved; and

**WHEREAS**, without imposing furlough days for sworn Police personnel, additional civilian layoffs to produce a savings of approximately \$64.1 million would be required to balance the 2009-2010 Budget; and

**WHEREAS**, it is estimated that a furlough plan for sworn Police employees of 18 days for the remainder of the 2009-2010 Fiscal Year would generate approximately \$64.1 million in savings and immediately improve the City's ability to meet its obligations to fund essential services of the City so as not to jeopardize its residents' health and safety in the current and next fiscal year.

**NOW, THEREFORE BE IT RESOLVED THAT**, the City Council of the City of Los Angeles, by virtue of the power and authority vested in it by the City Charter and the

City Administrative Code, does hereby determine that an emergency pursuant to Government Code section 3504.5 and Los Angeles Administrative Code section 4.850 continues to exist and issues this order to become effective immediately:

**IT IS FURTHER RESOLVED** that effective October 11, 2009 through June 30, 2010, the Mayor through the appointing authorities adopt a plan to implement a furlough of sworn Police employees for up to 18 days during the remainder of the 2009-2010 Fiscal Year.

**IT IS ORDERED** that effective immediately through June 30, 2010, the hiring of police officers shall be discontinued and all current entry-level police officer candidates shall be subject to probationary termination.

**IT IS FURTHER ORDERED** that effective immediately through June 30, 2010, the Fire Department and Police Department are prohibited from entering into any new personal services or consulting contracts to perform work that would have been performed by sworn employees subject to the furloughs, layoffs, or other position reduction measures. A limited exemption process shall be included.