

CITY OF LOS ANGELES

CALIFORNIA



JUNE LAGMAY
City Clerk

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

February 25, 2010

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council file No. 09-0600-S159, at its meetings held February 3, 2010. The Mayor failed to act by February 22, 2010, DEEMED APPROVED and EFFECTIVE February 23, 2010.


City Clerk
VCW



ANTONIO R. VILLARAIGOSA
MAYOR

February 18, 2010

Honorable Members of the City Council
c/o City Clerk
Room 395, City Hall

Re: Mid-Year Financial Status Report, CF 09-0600-S159

Honorable Members of the City Council:

I'm returning the FY 2009-10 Mid Year Financial Status Report Council File without my signature because I disagree with some of the actions taken to amend the report. In part the Mid Year FSR contains critical budget balancing actions developed by the City Administrative Officer (CAO) in direct response to a directive letter that I jointly co-signed with City Council Leadership on January 20, 2010. While I did not agree with every recommendation made by the CAO on this FSR, I felt and still believe that leaving the report intact was the best action we could take in the face of falling revenues, structural and constant threat of credit rating downgrades and credit negative watch.

The CAO's swift response to the FSR related motion relative to **Short Term Plan for Fiscal Solvency** dated February 9, 2010 identifies several Council actions on the report that lost us the opportunity for \$20 million in budget balancing measures. Your actions included approval of various recommendations that are imperative for the day-to-day operation of the City and as such, I can not veto your action. Therefore the only alternative to formally voice my disapproval is to return this file without signature.

I respect City Council's role in the City's budgetary process and I agree with most actions that you took on CAO's recommendations within the FSR. I will continue to foster a good working relationship between the legislative and the Executive Branches of our City government and include your leadership in most of my budget preparations. In conjunction with the necessary collaboration, I will reserve the right to use all executive authority accorded to me by the City Charter. The City's fiscal condition calls for swift action and that's why I acted immediately to effectuate the lay off process to avoid any delays in realizing the expected cost savings within this fiscal year.

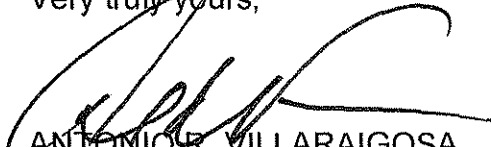


Honorable Members of the City Council
February 18, 2010
Page 2

Lastly, I would like to urge your expedient consideration and approval of all the Three Year Plan related items that your honorable body referred to City Council committees for further review.

Thank you very much for your cooperation.

Very truly yours,



ANTONIO R. VILLARAIGOSA
Mayor

ARV:so

cc: The Honorable Carmen Trutanich, City Attorney
The Honorable Wendy Greuel, City Controller
Miguel Santana, City Administrative Officer

RECEIVED
CITY CLERK'S OFFICE
2010 FEB 23 AM 10:06
CITY CLERK
BY _____
DEPUTY

Mayor's Time Stamp
OFFICE OF THE MAYOR
RECEIVED
2010 FEB 11 PM 3:14
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2010 FEB 11 PM 3:02
CITY CLERK
BY _____ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 09-0600-S159

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE FEBRUARY 3, 2010

RE: THE MID-YEAR FINANCIAL STATUS REPORT

LAST DAY FOR MAYOR TO ACT FEB 22 2010
[10 Day Charter requirement as per Charter Section 231(h)]

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

*DISAPPROVED

*Transmit objections in writing
pursuant to Charter Section 231 (h)

DATE OF MAYOR APPROVAL OR DISAPPROVAL _____

MAYOR

RECEIVED
CITY CLERK'S OFFICE
2010 FEB 23 AM 10:06
BY _____
CITY CLERK
DEPUTY

VERBAL MOTION

I HEREBY MOVE that Council ADOPT the recommendations of the City Administrative Officer relative to the Mid-Year Financial Status Report, as amended by the various Motions attached to the Council file, (Item No. 10, CF 09-0600-S159).

PRESENTED BY _____

ERIC GARCETTI
Councilmember, 13th District

SECONDED BY _____

BERNARD C. PARKS
Councilmember, 8th District

February 3, 2010

CF 09-0600-S159

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL

*See Amending Motions
A through DD*

10 A

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your **BUDGET AND FINANCE** Committee

reports as follows:

BUDGET AND FINANCE COMMITTEE MAJORITY REPORT relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability.

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

1. APPROVE the recommendations contained in the City Administrative Officer's (CAO) Mid-Year Financial Status Report with the following changes and amendments:
 - a. DELETE Recommendation No. 45 relative to the elimination of 1,000 General Funded positions. **(Huizar-Koretz-Rosendahl)**
 - b. DELETE Recommendation No. 47 relative to the elimination of the Department on Disability. **(Huizar-Koretz-Rosendahl)**
 - c. DELETE Recommendation No. 50 relative to modifying the funding of the Neighborhood Empowerment Program.
 - d. DELETE Recommendation No. 52 relative to instructing the Bureau of Engineering to reassign one CD 14 Neighborhood City Hall Renovation position to a special-funded assignment and transfer savings of \$14,701 from the Bureau of Engineering Fund No. 100/78, Account No. 1010, Salaries, General Account to the UB 100/58, Account No. 0037, Reserve for Economic Uncertainty.
 - e. DELETE Recommendation No. 59 relative to the transfer of \$10,000,000 from the Unappropriated Balance (UB) Fund 100/58 from AB1290 Account 0242 to the Reserve for Economic Uncertainty Account 0037.
 - f. AMEND Recommendation No. 62 relative to directing all General Managers to negotiate with existing personal services contractors to seek a 10 percent reduction in contract rates, including consideration of exercising termination clauses for contracts where rate reductions are not granted, to include that the City Attorney be included, for consistency, in the discussions with contractors.
 - g. DELETE Recommendation No. 68 relative to a transfer of appropriations of \$200,000 from the UB, Fund No. 100/58, Account No. 0250, Public-Private Partnership Parking (Special Parking Revenue Fund Source) to the Capital Finance Administration Fund No. 100/53, General Administration Account No. 0170, for expenditures related to the engagement of consultants to complete a study of the City's meter system.

- h. REPLACE Recommendation No. 69 as follows:
 - i. ADOPT a 30 percent subsidy for the Solid Resources Lifeline Rate Program, in line with the subsidy program provided by the Department of Water and Power. Participants must prove eligibility every two years and the subsidy amount would be reviewed every five years; and,
 - ii. REQUEST the City Attorney to prepare and present the necessary ordinance requirements to effectuate this change.
2. SUBMITS WITHOUT RECOMMENDATION the following recommendation of the CAO:

Eliminate the Human Services Department as follows:

 - a. AUTHORIZE the CAO, with the assistance of other departments, to eliminate the Human Services Department by June 30, 2010;
 - b. REQUEST the City Attorney to update the Ordinances related to the Commission for Children, Youth and Their Families, the Commission on the Status of Women and the Human Relations Commission to eliminate the three departments and to place the volunteer Commissions in abeyance by June 30, 2010; and,
 - c. AUTHORIZE the CAO, with the assistance of other departments, to transfer the KidWatch, YWAR and Joy Picus Child Care Center functions to other departments.
3. INSTRUCT the CAO to provide a more comprehensive report which provides budget balancing options which do not exempt any department, including elected offices
4. INSTRUCT the Department of Animal Services to report back to the Council relative to efforts to increase animal registration.
5. INSTRUCT the CAO to:
 - a. Report back to the Council relative to ensuring that staffing is available in the Los Angeles Fire Department (LAFD) to maintain the LAFD fleet if Municipal Improvement Corporation of Los Angeles (MICLA) funding is not provided to purchase new vehicles/equipment;
 - b. Monitor the status of LAFD's submission of information necessary for preparation of an Ordinance by the City Attorney relative to the Industrial Inspection Fee.
6. INSTRUCT the CAO, with the Los Angeles World Airports and the Harbor Departments, to report back to the Council relative to reassigning General Funded employees to the Proprietary Departments. The report should provide detail on all contracts with positions such as engineering, clerical and administrative support which may be appropriate for displaced City staff.
7. REQUEST the Office of the Mayor to assist in obtaining compliance with the Fleet Reduction Program in order to address a \$5.5 million shortfall in the Department of General Services'

Fleet Reduction Program.

8. REQUEST the General Manager of the Los Angeles City Employees' Retirement System to report to the Council relative to whether additional staffing could be utilized to expedite processing of ERIP participants.
9. APPROVE the recommendations contained in the CAO's Three-Year Plan to Fiscal Sustainability with the following changes and amendments:
 - a. DELETE Recommendation No. 14 relative to the Solid Resources Lifeline Rate Program.
 - b. AMEND Recommendation No. 15a to delete the words "Reserve for Economic Uncertainties Account."
 - c. DELETE Recommendation No. 20a, b, and c; RETAIN Recommendation No. 20d.
 - e. RECEIVE and FILE Recommendation No. 24 relative to a transfer of \$200,000 from the UB, Fund No. 100/58, Account No. 0250, Public-Private Partnership Parking, to the Capital Finance Administration Fund No. 100/53, General Administration Account NO. 0170, for expenditures related to the engagement of consultants to complete a study of the City's parking meter system.
 - f. RECEIVE and FILE Recommendation No. 25 relative to the Parking Structure Proposal inasmuch as this matter has been addressed by the Council under Council file 10-0139-S1.
 - g. AMEND Recommendation 27b as follows:

Request the Los Angeles Convention Center (LACC) and Los Angeles Convention and Visitors Bureau (LA, Inc.) to collaborate to better align the sale and marketing of the LACC and propose options to maximize returns.
10. INSTRUCT the Cultural Affairs Department to issue a Request for Proposals (RFP) within 90 days for partnership agreements to operate the Barnsdall, Madrid and Warner Grand theater facilities to begin no later than July 1, 2010 and to operate the Vision Theater upon completion of its renovation.
11. INSTRUCT the Cultural Affairs Department to issue an RFP within 90 days for partnership agreements to operate the Barnsdall Art Center, Barnsdall Junior Art Center and William Grant Still Arts Center to begin no later than July 1, 2010.
12. INSTRUCT the CAO to research and identify four City departments each year beginning Fiscal Year 2012-13 for true zero-based budgeting.

Fiscal Impact Statement: The CAO reports that the 2009-10 Budget deficit is now estimated at \$218.5 million, which reflects an additional \$110.6 million decline in revenue from the reported shortfall in the Second Financial Status Report, as well as an additional reduction of \$10 million in revenue from AB1290 funds. The new projected revenue shortfall is now \$195.9 million. The

current Reserve Fund balance is estimated at \$170.9 million (consisting of \$121 million in the Emergency Reserve Account and \$49.9 million in the Contingency Reserve Account), which includes proposed Reserve Fund loans and transfers. Transfers, appropriations and other adjustments totaling approximately \$112.5 million are recommended in Sections 1 and 2 of the CAO report, which includes a total of \$30.8 million in proposed transfers from departmental surpluses to the Reserve for Economic Uncertainty.

Additional budgetary adjustments totaling approximately \$5 million are recommended in Section 3 of the CAO's report. Recommendations include \$3.9 million in additional transfers to the Reserve for Economic Uncertainty, which would reduce the Budget deficit to \$214.6 million. Budgetary transactions for other proposed recommendations in Section 3 of the CAO's report will be contained within future reports. The total of all recommended budgetary adjustments in this report is \$117.5 million.

At this time, the Reserve Fund Balance is estimated to be \$17.5 million at year-end, which assumes approval of all recommended actions in this report and the anticipated increases to the Reserve Fund.

Community Impact Statement: Yes: Eagle Rock Neighborhood Council

SUMMARY

At its meeting of February 1, 2010, the Budget and Finance Committee considered the CAO's reports relative to the Mid-Year Financial Status Report (FSR) and the Three-Year Plan to Fiscal Sustainability. The CAO's reports recommend actions to address a budget crisis unlike any crisis the City has ever experienced. Accounting for a revenue shortfall now projected to be \$110.6 million below the prior estimate, for a revised total revenue shortfall of \$185.6 million, the overall projected deficit is now \$208.5 million. The FSR recommends mitigating measures such as position reductions, contract reductions of 10 percent, sweeping all available funds and other measures to reduce the deficit. The CAO reports that even with adoption of these mitigation efforts, the City will have to dip into the Reserve Fund to offset the remainder of the deficit.

The FSR and Three-Year Plan to Fiscal Sustainability provide an update of the City's current financial position, steps needed to address the budget deficit, balance the budget in the current Fiscal Year, strengthen the City's credit rating, and restore the City's long-term fiscal health and sustainability.

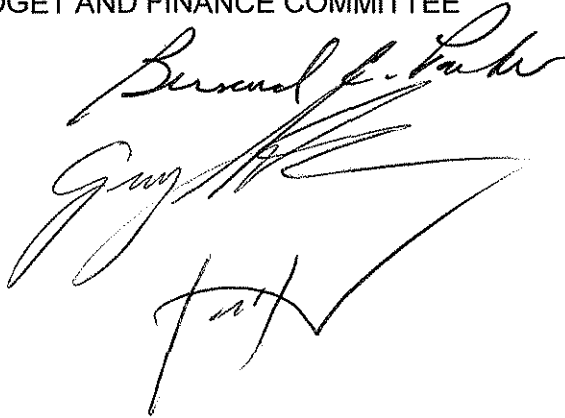
During the Committee discussion, the CAO was instructed to provide for the Council discussion of this matter options which do not exempt any department, including elected offices. The Committee expressed concern that balancing the City's budget while only looking at approximately 30 percent of the total City Budget is not practical. The CAO was additionally instructed to provide additional information for the Council discussion relative to the Neighborhood Council election funding, updated information relative to the budget of the Office of the City Attorney, clarification on the elimination of the Environmental Affairs Department (EAD) and transfer of EAD positions into other City departments and how accountability for the functions performed by EAD would be maintained. Committee members Koretz, Huizar and Rosendahl expressed concerns relative to the recommendations to eliminate the Human Services Department, the Department on Disability and the elimination of 1,000 positions, which resulted in Minority and Majority Committee Reports. Additionally, the Committee submitted without recommendation the CAO recommendation relative

to the elimination of the Human Services Department.

Following a lengthy public comment period and Committee discussion, the recommendations contained in this Majority report reflect the actions taken by the Committee following votes taken on several issues. 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: | YES |

LB
09-0600-S159_rpt_bfc_02-02-10

-NOT OFFICIAL UNTIL COUNCIL ACTS-

FEB 03 2010 - Council adopted CAO recommendation 5. Motion (Grace Hi-Parks)
See Amending motions A through D
Recommendations 4-7 scheduled for Feb. 9, 2010

10B

File No. 09-0600-S159

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your **BUDGET AND FINANCE** Committee

reports as follows:

BUDGET AND FINANCE COMMITTEE MINORITY REPORT relative to Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability.

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

1. APPROVE the recommendations contained in the City Administrative Officer's (CAO) Mid-Year Financial Status Report with the following changes and amendments:
 - a. APPROVE Recommendation No. 45 relative to the elimination of 1,000 General Funded Positions. **(Parks-Smith)**
 - b. DELETE Recommendation No. 48 relative to the elimination of the Department of Environmental Affairs. **(Rosendahl-Koretz)**
 - c. DELETE Recommendation No. 50 relative to modifying the funding of the Neighborhood Empowerment Program.
 - d. DELETE Recommendation No. 52 relative to instructing the Bureau of Engineering to reassign one CD 14 Neighborhood City Hall Renovation position to a special-funded assignment and transfer savings of \$14,701 from the Bureau of Engineering Fund No. 100/78, Account No. 1010, Salaries, General Account to the UB 100/58, Account No. 0037, Reserve for Economic Uncertainty.
 - e. DELETE Recommendation No. 59 relative to the transfer of \$10,000,000 from the Unappropriated Balance (UB) Fund 100/58 from AB1290 Account 0242 to the Reserve for Economic Uncertainty Account 0037.
 - f. AMEND Recommendation No. 62 relative to directing all General Managers to negotiate with existing personal services contractors to seek a 10 percent reduction in contract rates, including consideration of exercising termination clauses for contracts where rate reductions are not granted, to include that the City Attorney be included, for consistency, in the discussions with contractors.
 - g. DELETE Recommendation No. 68 relative to a transfer of appropriations of \$200,000 from the UB, Fund No. 100/58, Account No. 0250, Public-Private Partnership Parking (Special Parking Revenue Fund Source) to the Capital Finance Administration Fund No. 100/53, General Administration Account No. 0170, for expenditures related to the engagement of consultants to complete a study of the City's meter system.

- h. REPLACE Recommendation No. 69 as follows:
 - i. ADOPT a 30 percent subsidy for the Solid Resources Lifeline Rate Program, in line with the subsidy program provided by the Department of Water and Power. Participants must prove eligibility every two years and the subsidy amount would be reviewed every five years; and,
 - ii. REQUEST the City Attorney to prepare and present the necessary ordinance requirements to effectuate this change.
- 2. SUBMITS WITHOUT RECOMMENDATION the following recommendation of the CAO:

Eliminate the Human Services Department as follows:

 - a. AUTHORIZE the CAO, with the assistance of other departments, to eliminate the Human Services Department by June 30, 2010;
 - b. REQUEST the City Attorney to update the Ordinances related to the Commission for Children, Youth and Their Families, the Commission on the Status of Women and the Human Relations Commission to eliminate the three departments and to place the volunteer Commissions in abeyance by June 30, 2010; and,
 - c. AUTHORIZE the CAO, with the assistance of other departments, to transfer the KidWatch, YWAR and Joy Picus Child Care Center functions to other departments.
- 3. INSTRUCT the CAO to provide a more comprehensive report which provides budget balancing options which do not exempt any department, including elected offices.
- 4. INSTRUCT the Department of Animal Services to report back to the Council relative to efforts to increase animal registration.
- 5. INSTRUCT the CAO to:
 - a. Report back to the Council relative to ensuring that staffing is available in the Los Angeles Fire Department (LAFD) to maintain the LAFD fleet if Municipal Improvement Corporation of Los Angeles (MICLA) funding is not provided to purchase new vehicles/equipment;
 - b. Monitor the status of LAFD's submission of information necessary for preparation of an Ordinance by the City Attorney relative to the Industrial Inspection Fee.
- 6. INSTRUCT the CAO, with the Los Angeles World Airports and the Harbor Departments, to report back to the Council relative to reassigning General Funded employees to the Proprietary Departments. The report should provide detail on all contracts with positions such as engineering, clerical and administrative support which may be appropriate for displaced City staff.
- 7. REQUEST the Office of the Mayor to assist in obtaining compliance with the Fleet Reduction Program in order to address a \$5.5 million shortfall in the Department of General Services'

Fleet Reduction Program.

8. REQUEST the General Manager of the Los Angeles City Employees' Retirement System to report to the Council relative to whether additional staffing could be utilized to expedite processing of ERIP participants.
9. APPROVE the recommendations contained in the CAO's Three-Year Plan to Fiscal Sustainability with the following changes and amendments:
 - a. DELETE Recommendation No. 14 relative to the Solid Resources Lifeline Rate Program.
 - b. DELETE Recommendation No. 15 relative to curtailments to the Neighborhood Council Funding Program. **(Rosendahl-Koretz)**
 - c. DELETE Recommendation No. 20a, b, and c; RETAIN Recommendation No. 20d.
 - e. RECEIVE and FILE Recommendation No. 24 relative to a transfer of \$200,000 from the UB, Fund No. 100/58, Account No. 0250, Public-Private Partnership Parking, to the Capital Finance Administration Fund No. 100/53, General Administration Account NO. 0170, for expenditures related to the engagement of consultants to complete a study of the City's parking meter system.
 - f. RECEIVE and FILE Recommendation No. 25 relative to the Parking Structure Proposal inasmuch as this matter has been addressed by the Council under Council file 10-0139-S1.
 - g. AMEND Recommendation 27b as follows:

Request the Los Angeles Convention Center (LACC) and Los Angeles Convention and Visitors Bureau (LA, Inc.) to collaborate to better align the sale and marketing of the LACC and propose options to maximize returns.
10. INSTRUCT the Cultural Affairs Department to issue a Request for Proposals (RFP) within 90 days for partnership agreements to operate the Barnsdall, Madrid and Warner Grand theater facilities to begin no later than July 1, 2010 and to operate the Vision Theater upon completion of its renovation.
11. INSTRUCT the Cultural Affairs Department to issue an RFP within 90 days for partnership agreements to operate the Barnsdall Art Center, Barnsdall Junior Art Center and William Grant Still Arts Center to begin no later than July 1, 2010.
12. INSTRUCT the CAO to research and identify four City departments each year beginning Fiscal Year 2012-13 for true zero-based budgeting.

Fiscal Impact Statement: The CAO reports that the 2009-10 Budget deficit is now estimated at \$218.5 million, which reflects an additional \$110.6 million decline in revenue from the reported shortfall in the Second Financial Status Report, as well as an additional reduction of \$10 million in revenue from AB1290 funds. The new projected revenue shortfall is now \$195.9 million. The

current Reserve Fund balance is estimated at \$170.9 million (consisting of \$121 million in the Emergency Reserve Account and \$49.9 million in the Contingency Reserve Account), which includes proposed Reserve Fund loans and transfers. Transfers, appropriations and other adjustments totaling approximately \$112.5 million are recommended in Sections 1 and 2 of the CAO report, which includes a total of \$30.8 million in proposed transfers from departmental surpluses to the Reserve for Economic Uncertainty.

Additional budgetary adjustments totaling approximately \$5 million are recommended in Section 3 of the CAO's report. Recommendations include \$3.9 million in additional transfers to the Reserve for Economic Uncertainty, which would reduce the Budget deficit to \$214.6 million. Budgetary transactions for other proposed recommendations in Section 3 of the CAO's report will be contained within future reports. The total of all recommended budgetary adjustments in this report is \$117.5 million.

At this time, the Reserve Fund Balance is estimated to be \$17.5 million at year-end, which assumes approval of all recommended actions in this report and the anticipated increases to the Reserve Fund.

Community Impact Statement: Yes: Eagle Rock Neighborhood Council

SUMMARY

At its meeting of February 1, 2010, the Budget and Finance Committee considered the CAO's reports relative to the Mid-Year Financial Status Report (FSR) and the Three-Year Plan to Fiscal Sustainability. The CAO's reports recommend actions to address a budget crisis unlike any crisis the City has ever experienced. Accounting for a revenue shortfall now projected to be \$110.6 million below the prior estimate, for a revised total revenue shortfall of \$185.6 million, the overall projected deficit is now \$208.5 million. The FSR recommends mitigating measures such as position reductions, contract reductions of 10 percent, sweeping all available funds and other measures to reduce the deficit. The CAO reports that even with adoption of these mitigation efforts, the City will have to dip into the Reserve Fund to offset the remainder of the deficit.

The FSR and Three-Year Plan to Fiscal Sustainability provide an update of the City's current financial position, steps needed to address the budget deficit, balance the budget in the current Fiscal Year, strengthen the City's credit rating, and restore the City's long-term fiscal health and sustainability.

During the Committee discussion, the CAO was instructed to provide for the Council discussion of this matter options which do not exempt any department, including elected offices. The Committee expressed concern that balancing the City's budget while only looking at approximately 30 percent of the total City Budget is not practical. The CAO was additionally instructed to provide additional information for the Council discussion relative to the Neighborhood Council election funding, updated information relative to the budget of the Office of the City Attorney, clarification on the elimination of the Environmental Affairs Department (EAD) and transfer of EAD positions into other City departments and how accountability for the functions performed by EAD would be maintained. Committee members Koretz, Huizar and Rosendahl expressed concerns relative to the recommendations to eliminate the Human Services Department, the Department on Disability and the elimination of 1,000 positions, which resulted in Minority and Majority Committee Reports. Additionally, the Committee submitted without recommendation the CAO recommendation relative

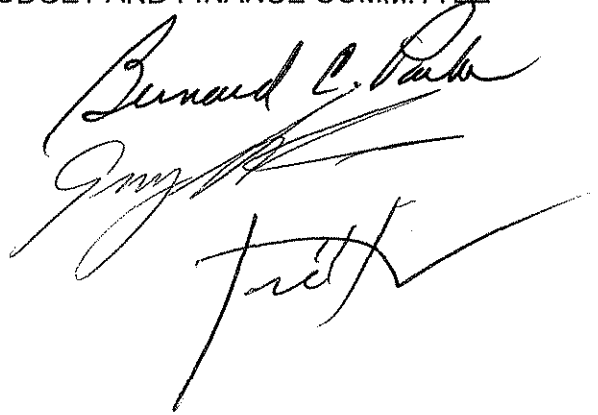
to the elimination of the Human Services Department.

Following a lengthy public comment period and Committee discussion, the recommendations contained in this Minority report reflect the actions taken by the Committee following votes taken on several issues. 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: | YES |



LB
09-0600-S159_rpt_bfc_02-03-10

-NOT OFFICIAL UNTIL COUNCIL ACTS-

FEB 03 2010 - Council adopted CAO recommendations - Motion (Cavetti-Parks)
See Amending Motions A through DD
Recommendations 4-7 scheduled for Feb. 9, 2010

VERBAL MOTION

I HEREBY MOVE that Council AMEND Recommendations Nos. 63 and 64 of the City Administrative Officer relative to the Mid-Year Financial Status Report, to include all departments in the instruction pertaining to contracts.

PRESENTED BY _____
BERNARD C. PARKS
Councilmember, 8th District

SECONDED BY _____
GREIG SMITH
Councilmember, 12th District

February 3, 2010

CF 09-0600-S159

ADOPTED
FEB 03 2010
LOS ANGELES CITY COUNCIL

VERBAL MOTION

I HEREBY MOVE that Council AMEND Recommendation No. 67 of the City Administrative Officer relative to the Mid-Year Financial Status Report, as follows:

REFER the Project in Council District One to the Arts, Parks, Health and Aging Committee.

PRESENTED BY _____

ED P. REYES
Councilmember, 1st District

SECONDED BY _____

GREIG SMITH
Councilmember, 12th District

February 3, 2010

CF 09-0600-S159

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL

VERBAL MOTION

I HEREBY MOVE that Council AMEND Recommendation No. 69 of the City Administrative Officer relative to the Mid-Year Financial Status Report, as follows:

APPROVE the program to increase the lifeline rate structure pursuant to Attachment 13 F-I, with a report prior to implementation of the year two increase relative to the Project Angel funding. The program to include verification of program applicants by the Office of Finance with the assistance of the Bureau of Sanitation.

PRESENTED BY _____
JOSE HUIZAR
Councilmember, 14th District

SECONDED BY _____
TONY CARDENAS
Councilmember, 6th District

February 3, 2010

CF 09-0600-S159

ADOPTED
FEB 03 2010
LOS ANGELES CITY COUNCIL

VERBAL MOTION

I HEREBY MOVE that Council AMEND Recommendation No. 69 of the City Administrative Officer relative to the Mid-Year Financial Status Report, as follows:

REQUIRE that the lifeline program be capped at 58,651, plus the applicants in the process for approval, subject to legal review.

PRESENTED BY _____
BERNARD C. PARKS
Councilmember, 8th District

SECONDED BY _____
GREIG SMITH
Councilmember, 12th District

February 3, 2010

CF 09-0600-S159

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL

MOTION

10E

~~10E~~

The Department of Water & Power (DWP) has long contracted out its line clearing work to private tree trimming crews, even though Bureau of Street Services Urban Forestry employees are capable of handling this job, as long as they receive proper training. The recent proposal by the CAO, as part of the Mid-Year Financial Status Report, calls for eliminating 100 positions at the Bureau of Street Services and privatizing the City's tree trimming function.

BSS's Urban Forestry Division stands to absorb all of the positions targeted for elimination at Street Services (30 percent are Tree Surgeons or Tree Surgeon Assistants), which represents 10% of the cuts for the whole City. Rather than taking this step, we should increase the efficiency of tree trimming operations by having the Bureau contract with the DWP to assume responsibility for line clearing, as well as tree trimming operations at Recreation and Parks and other departments. At the request of the union, the CAO has initiated discussion with DWP on this subject.


There may be concerns about the ability of the Urban Forestry Division to take on this additional workload given the number of BSS employees that are retiring through ERIP. Now is the time to explore a proposal by SEIU to create a "Tree Surgeon Academy" to train the next generation of arborists, using the best-trained experts in the field, our employees. The Academy could also serve to train existing workers the skills they need to take on new roles.

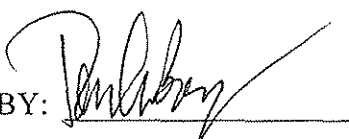

In addition, the Director of BSS has indicated that DWP is willing to contract with the Bureau for a sum that should cover the majority of the salaries and benefits of dedicated crews required to perform trench resurfacing as part of the utility's line replacement project, that is expected to take at least 5-10 years to complete and has the potential to add millions of dollars in new revenue for the City, which can be used to keep BSS employees on the job. The CAO, DWP and BSS have initiated conversations regarding a potential MOU.

I THEREFORE MOVE that the City Administrative Officer be instructed to immediately begin negotiating a contract between the Bureau of Street Services and the City's proprietary departments and Recreation & Parks Department to take over responsibility for line clearance and tree trimming, using existing Urban Forestry staff at risk of termination.

I FURTHER MOVE that the Bureau of Street Services, CAO and labor representatives for BSS be instructed to meet and discuss how to develop and implement a "Tree Surgeon Academy" to quickly train and employ as apprentices any additional staff that is needed to fill these contracts, as well as to train existing employees any new skills they need to learn in order to handle their new responsibilities working on contract for other City departments.

I FURTHER MOVE that the CAO and the Bureau of Street Services be instructed to immediately prepare a contract between the DWP and BSS to handle trench repair associated with DWP's line replacement project.

PRESENTED BY: 
JOSE HUIZAR
Councilmember
14th District

SECONDED BY: 


FEB 3 2010

FEB 03 2010 - REFERRED TO ENERGY & THE ENVIRONMENT


ORIGINAL

MOTION

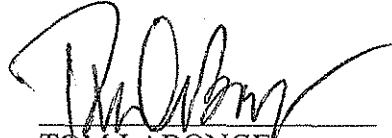
I MOVE, that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item 10 on today's Council agenda (Council File 09-0600-S159), BE AMENDED as follows:

1. Delete Recommendation No. 46(c) in the Financial Status Report regarding suspension of the Cultural Affairs Grant Program for fiscal year 2010-2011;
2. Refer Recommendation No. 47 in the Financial Status Report regarding the elimination of the Department of Disability to the Arts, Parks, Health and Aging Committee and for Council consideration and report back to Council within 30 days;
3. Refer Recommendation No. 49 in the Financial Status Report regarding the elimination of the Human Services Department to the Arts, Parks, Health and Aging Committee and report back to Council within 30 days.

PRESENTED BY:

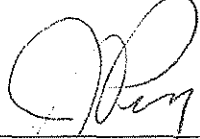


 ERIC GARCETTI
 Councilmember, 13th District

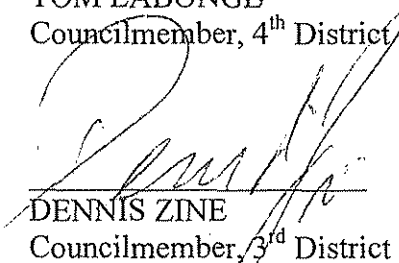


 TOM LABONGE
 Councilmember, 4th District

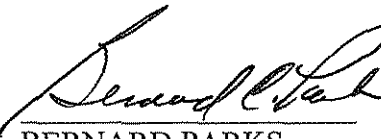
SECONDED BY:



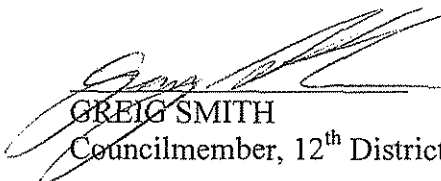
 JAN PERRY
 Councilmember, 9th District



 DENNIS ZINE
 Councilmember, 3rd District



 BERNARD PARKS
 Councilmember, 8th District



 GREIG SMITH
 Councilmember, 12th District

ORIGINAL

February 3, 2010



MOTION

I MOVE, that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item 10 on today's Council agenda (Council File 09-0600-S159), BE AMENDED to refer Recommendation No. 59 in the Financial Status Report regarding the transfer of \$10 million in AB1290 funds to the Housing, Community and Economic Development Committee;

PRESENTED BY

Herb Wesson
HERB WESSON
Councilmember, 10th District

SECONDED BY

J.P. Keys

ORIGINAL

FEB 03 2010 — REFERRED TO

HOUSING, COMMUNITY &
ECONOMIC DEVELOPMENT

February 3, 2010


kk

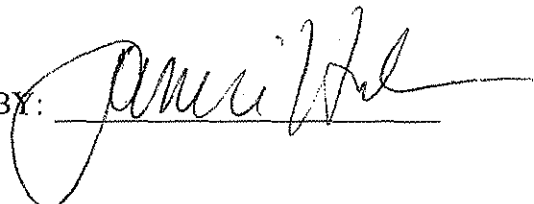
AKJ

MOTION

I MOVE that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item No. 10 on today's Council Agenda (CF 09-0600-S159) **BE AMENDED** to establish a Working Group consisting of the Department of Cultural Affairs, Department of Aging the Department of Recreation and Parks, the City Administrative Officer, the Chief Legislative Analyst, and a representative(s) of labor to identify efficiency opportunities within the Departments of Cultural Affairs, Aging, and Recreation and Parks including consolidation and reorganization which would equate to budgetary savings.

I FURTHER MOVE, that the Working Group report within 30 days to joint meetings of the Arts, Parks, Health and Aging and Personnel Committees of the Council.

PRESENTED BY: 
TOM LABONGE
Councilman, 4th District

SECONDED BY: 

ORIGINAL

February 3, 2009
ak



ARTS, PARKS, HEALTH & AGING
PERSONNEL

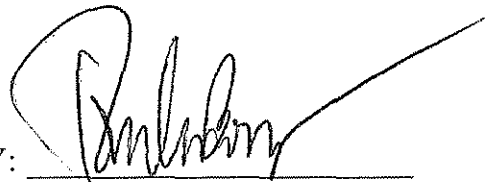
FEB 03 2010 — REFERRED TO

MOTION

I MOVE that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item No. 10 on today's Council Agenda (CF 09-0600-S159) **BE AMENDED** to establish a Working Group consisting of the Department of Public Works, Department of Transportation, the City Administrative Officer, the Chief Legislative Analyst and a representative(s) of labor to identify efficiency opportunities within the Department of Public Works and the Department of Transportation including consolidation and reorganization which would equate to budgetary savings.

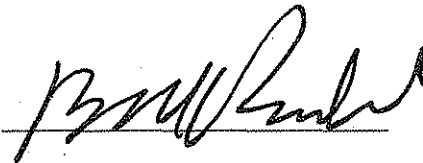
I FURTHER MOVE, that the Working Group report within 30 days to joint meetings of the Public Works and Personnel Committees of the Council.

PRESENTED BY:



TOM LABONGE
Councilman, 4th District

SECONDED BY:



ORIGINAL

February 3, 2009
ak



FEB 03 2010 - REFERRED TO

PUBLIC WORKS
PERSONNEL

10A

MOTION

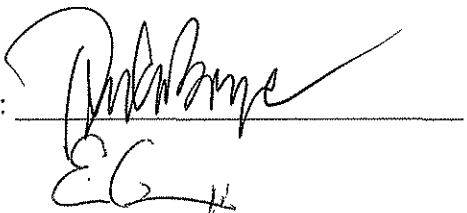
Arts and cultural endeavors in the City of Los Angeles create and stimulate tourism and other revenues for the city, as well as jobs and associated earnings for the creative industries which are the lifeblood of our city. They also provide artistic exposure and opportunities which are a critical component of youth development. Cuts to arts programming disproportionately effect lower-income, under-served neighborhoods, and can create a long-term detrimental ripple effect on livability for our citizens.

Furthermore, even in the midst of the most difficult economic challenges, the City must honor its obligations, including the fulfillment of grants which have been approved and for which, planning and work may have commenced and/or expenses incurred by the grantees, based on the City's commitment to award a grant.

I THEREFORE MOVE that Item #10, recommendations regarding Cultural Affairs #46 (a) through (c) of the CAO's "Three Year Plan to Fiscal Sustainability" be referred back to the City Council Budget & Finance Committee and request that the Department of Cultural Affairs and the CAO submit a joint report on the following:

- (1) Alternative efficiencies throughout the City budget necessary to prevent the cancellation of grants which have been approved for 2009-2010;
- (2) Alternative efficiencies throughout the City budget necessary to prevent the suspension of the Cultural Affairs Grant Program for 2010-11;
- (3) List, description and location of projects awarded DCA grants during the past three years.
- (4) Number of jobs, associated earnings and other revenues generated by projects awarded DCA grants during the past three years in Los Angeles.
- (5) Projected impact on jobs, associated earnings and other revenues that the suspension of the grant program for 2010-11 would have in Los Angeles.

PRESENTED BY: 
JOSE HUIZAR
Councilmember, 14th District

SECONDED BY: 

ADOPTED

FEB 03 2010
De Ananda
LOS ANGELES CITY COUNCIL
see Ms 7 101

ORIGINAL

//JWM

FEB 2 2010
FEB 3 2010

867

C
~~10~~

MOTION

I MOVE that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item No. 10 on today's Council Agenda (CF 09-0600-S159) **BE AMENDED** to pursue changes in State law to have State grants, especially grants for parks, be provided on a non-reimbursible basis, as follows:

RESOLVE, with the concurrence of the Mayor, that the City of Los Angeles hereby includes in its 2009-2010 State Legislative Program sponsorship and support of emergency legislation to have State grants, especially grants for parks, be provided on a non-reimbursible basis in order to make these funds immediately available to the City instead of having the City advance the funds and wait for reimbursement from the State.

PRESENTED BY:

Janice Hahn

JANICE HAHN
Councilwoman, 15th District

SECONDED BY:

Mark Bonner

ORIGINAL

February 3, 2009
ak

MS

ADOPTED

FEB 03 2010


LOS ANGELES CITY COUNCIL

MOTION

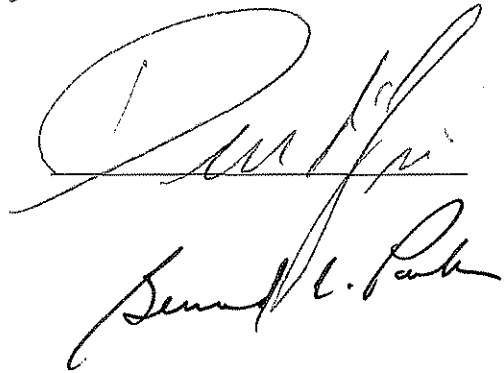
I MOVE, that the matter of the Communication from the City Administrative Officer relative to the Mid-Year (Third) Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item 10 on today's Council agenda (Council File 09-0600-S159), BE AMENDED to establish a Working Group consisting of the Chief of Police, the Fire Chief, the City Administrative Officer, the Chief Legislative Analyst, or their respective designees, and a representative of the Police Union to identify efficiency opportunities within the Police and Fire Departments which would equate to budgetary savings *with oversight* *By the City Attorney (Smith-Libbey).*

I FURTHER MOVE, that the Working Group report within 30 days to joint meetings of the Public Safety and Personnel Committees of the Council.

PRESENTED BY:


 Greg Smith
 Councilmember 12th District

SECONDED BY:



ORIGINAL

ADOPTED

FEB 03 2010
As Amended
 LOS ANGELES CITY COUNCIL


kk

FEB 3 2010



MOTION

I MOVE that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item No. 10 on today's Council Agenda (CF 09-0600-S159) **BE AMENDED** to RESOLVE that if the Council does not achieve a decision on this matter by close of business on Friday, February 5, 2010, the Council shall meet daily in special session, or on a continuation basis, as appropriate, beginning ~~Monday~~ ^{Tuesday}, February 8, 2010 in order to take actions to balance the Budget for FY 09-10 and to continue to make decisions to prepare a balanced budget for FY 10-11. **(Perry - Peck's)*

PRESENTED BY: 
JAN/C. PERRY
Councilwoman, 9th District

SECONDED BY: 

ORIGINAL

February 3, 2009
ak



ADOPTED

FEB 03 2010
to be amended
LOS ANGELES CITY COUNCIL

10H


MOTION

The City faces one of the most severe financial crises in decades. While the severity of the situation requires the City to cut services to taxpayers and residents, in order to maintain the City's financial health, it is incumbent on the City to protect core services. The City is considering recommendations or actions that mostly include cuts in employees and services, including the layoff of over 1,000 city employees and consequent cuts in services to residents. Prior to embarking on such a drastic measure, the City should examine a number of viable measures to deal with the fiscal crisis.

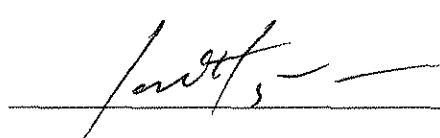
Therefore, I move that the Financial Status Report dated January 29, 2010, Item 10 on today's Council Agenda (CF 09-0600-S159), BE AMENDED, consistent with other, earlier Council Motions as follows:

1. Authorize the CAO to negotiate amendments to all City contracts to provide at least a ten percent reduction in the value of any contracts with vendors, consultants, and contractors as part of the City's Shared Sacrifice program.
2. Authorize the CAO to provide a preference in the award of future contracts to those vendors, consultants, and contractors who negotiate at least a ten percent reduction in the value of their current contracts.

CO-PRESENTED BY:



RICHARD ALARCÓN
Councilmember, 7th District



JOSE HUIZAR
Councilmember, 14th District

ORIGINAL

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL



FEB 3 2010

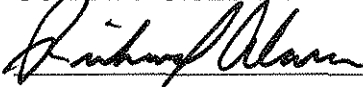
MOTION

The City faces one of the most severe financial crises in decades. While the severity of the situation requires the City to cut services to taxpayers and residents, in order to maintain the City's financial health, it is incumbent on the City to protect core services. The City is considering recommendations or actions that mostly include cuts in employees and services, including the layoff of over 1,000 city employees and consequent cuts in services to residents. Prior to embarking on such a drastic measure, the City should examine a number of viable measures to deal with the fiscal crisis.

Therefore, I move that the Financial Status Report dated January 29, 2010, Item 10 on today's Council Agenda (CF 09-0600-S159), BE AMENDED, consistent with other, earlier Council Motions as follows:

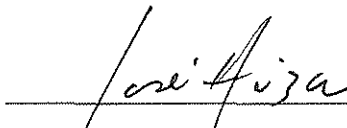
1. Instruct the CAO and CLA to include all outstanding uncollected tax debts owed to the City, estimated by the Office of Finance to be approximately \$400 million, as part of the City's Reserve Fund as an Accounts Receivable account. The debt figure may be discounted before posting for such factors as collection difficulty, over-assessment, and legal settlements.
2. Instruct the Office of Finance to immediately pursue all legal measures to collect all outstanding delinquent taxes, including such measures as:
 - a. cancellation of all City business licenses and permits, and contracts with the delinquent business including any of its subsidiaries
 - b. debarment from any City contracts
 - c. expediting of City administrative and legal processes to recover the delinquent taxes
 - d. hiring additional collections staff and legal assistance

CO-PRESENTED BY:



RICHARD ALARCÓN

Councilmember, 7th District



JOSE HUIZAR

Councilmember, 14th District

ORIGINAL

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL

FEB 3 2010



MOTION

The City faces one of the most severe financial crises in decades. While the severity of the situation requires the City to cut services to taxpayers and residents, in order to maintain the City's financial health, it is incumbent on the City to protect core services. The City is considering recommendations or actions that mostly include cuts in employees and services, including the layoff of over 1,000 city employees and consequent cuts in services to residents. Prior to embarking on such a drastic measure, the City should examine a number of viable measures to deal with the fiscal crisis.

Therefore, I move that the Financial Status Report dated January 29, 2010, Item 10 on today's Council Agenda (CF 09-0600-S159), BE AMENDED, consistent with other, earlier Council Motions as follows:

1. Instruct LACERS to work with the CAO to expedite processing of the remaining ERIP candidates to assure that they are off the payroll by April 1, 2010, and also hire additional personnel or extend the employment of currently employed exempt employees necessary to help expedite the process;
2. Extend ERIP to all employees currently on the existing waiting list and possibly extend the program to an additional 500 employees **with the provisions that provide ERIP for these additional employees => revenue neutral. *(Perry-Alarcón)*

CO-PRESENTED BY:

Richard Alarcón

RICHARD ALARCÓN

Councilmember, 7th District

Jose Huizar

JOSE/HUIZAR

Councilmember, 14th District

ORIGINAL

ADOPTED

FEB 03 2010
As Amended
LOS ANGELES CITY COUNCIL

*Also referred to EERC
Motion Cracetti - U Bone*

[Signature]
FEB 3 2010

MOTION

The City faces one of the most severe financial crises in decades. While the severity of the situation requires the City to cut services to taxpayers and residents, in order to maintain the City's financial health, it is incumbent on the City to protect core services. The City is considering recommendations or actions that mostly include cuts in employees and services, including the layoff of over 1,000 city employees and consequent cuts in services to residents. Prior to embarking on such a drastic measure, the City should examine a number of viable measures to deal with the fiscal crisis.

Therefore, I move that the Financial Status Report dated January 29, 2010, Item 10 on today's Council Agenda (CF 09-0600-S159), BE AMENDED, consistent with other, earlier Council Motions as follows:

Instruct ~~the~~ CAO and to ensure that any personnel action taken to reduce City staff shall exclude any employees whose work generates revenues for the City such as those employees who collect the City's debt, provide services for fees, etc. ** net*
**(Victoria - Kretz)*

CO-PRESENTED BY:

Richard Alarcón

RICHARD ALARCÓN

Councilmember, 7th District

Jose Huizar

JOSE HUIZAR

Councilmember, 14th District

ORIGINAL

ADOPTED

FEB 03 2010
As Amended
LOS ANGELES CITY COUNCIL

FEB 3 2010
[Signature]

MOTION

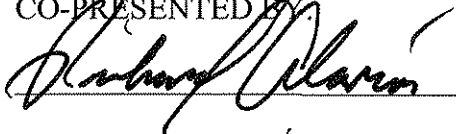
The City faces one of the most severe financial crises in decades. While the severity of the situation requires the City to cut services to taxpayers and residents, in order to maintain the City's financial health, it is incumbent on the City to protect core services. The City is considering recommendations or actions that mostly include cuts in employees and services, including the layoff of over 1,000 city employees and consequent cuts in services to residents. Prior to embarking on such a drastic measure, the City should examine a number of viable measures to deal with the fiscal crisis.

Therefore, I move that the Financial Status Report dated January 29, 2010, Item 10 on today's Council Agenda (CF 09-0600-S159), BE AMENDED, consistent with other, earlier Council Motions as follows:

Instruct the CAO to require proprietary departments to expedite the transfer of general fund employees to the proprietary department and to require all City departments to expedite the transfer of general fund employees to positions funded by special funds, particularly funds available through ARRA, to accomplish the transfers by March 1, 2010. or as soon as vacancies become available.

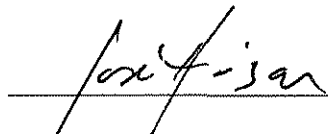
The CAO shall report to the Council weekly on the progress of this action until the transfers are complete or otherwise directed by the Council.

CO-PRESENTED BY



RICHARD ALARCÓN

Councilmember, 7th District



JOSE HUIZAR


Councilmember, 14th District

ORIGINAL

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL

FEB 3 2010 

MOTION

The City faces one of the most severe financial crises in decades. While the severity of the situation requires the City to cut services to taxpayers and residents, in order to maintain the City's financial health, it is incumbent on the City to protect core services. The City is considering recommendations or actions that mostly include cuts in employees and services, including the layoff of over 1,000 city employees and consequent cuts in services to residents. Prior to embarking on such a drastic measure, the City should examine a number of viable measures to deal with the fiscal crisis.

Therefore, I move that the Financial Status Report dated January 29, 2010, Item 10 on today's Council Agenda (CF 09-0600-S159), BE AMENDED, consistent with other, earlier Council Motions as follows:

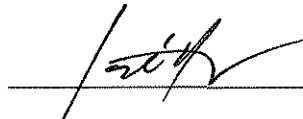
Instruct the CAO and CLA to provide revenue enhancement concepts and proposals other than privatization of City assets for the Council's consideration. The proposals shall include alternative proposals to enhance revenues from parking structures other than the pending leasing proposal presented to Council on February 2, 2010.

CO-PRESENTED BY



RICHARD ALARCÓN

Councilmember, 7th District



JOSE HUIZAR


Councilmember, 14th District

ORIGINAL

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL


FEB 3 2010

MOTION

The CAO's Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item #10 on today's Council agenda, discusses the efforts of City departments to identify general funded positions that may be transferred to special funded positions to reduced General Fund expenses. The City's Proprietary departments have also been instructed to attempt to fill vacancies through transfer of non-proprietary department, and the Council has asked the CAO and the Personnel Department to facilitate the identification of positions that could be filled by General Funded staff.

The Personnel Department has completed its preliminary review of vacancies at Proprietary Departments and in Special Funds and has identified nearly ~~306~~ positions that are, or may soon become, vacant and available for filling by General Funded city staff. The urgency of the City's budget situation will not allow for any delay in moving forward with the initial list of transfers, in order to maximize General Fund savings. All position authorities that are vacated by City staff should immediately be deleted from the 2009-10 Budget to ensure no backfilling that will reduce those savings.

I THEREFORE MOVE that Item #10 on the Wednesday, February 3, 2010 City Council Agenda, the Budget & Finance Committee Majority Report relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, to add the following instructions:

1. Instruct the Personnel Department and the CAO, with the support and cooperation of all City and Proprietary departments, to immediately proceed with the transfer of ~~306~~ City staff from General Funded to Special Funded and Proprietary Department vacancies identified in the Personnel Department's preliminary review of vacant positions.
2. Instruct the CAO to eliminate from the 2009-10 Budget the General Funded positions immediately upon the creation of the vacancy, in order to maximize General Fund savings from these transfers.

** if filling the position is critical backfill only within General Funded positions of an equal or higher level (Hahn - Krutz)*

PRESENTED BY: *Janice Hahn*
Janice Hahn
Councilmember, 15th District

SECONDED BY: *Pal Krutz*

AS

ORIGINAL

February 3, 2010

ADOPTED
FEB 03 2010
As Amended
LOS ANGELES CITY COUNCIL

MOTION

The City faces one of the most severe financial crises in decades. While the severity of the situation requires the City to cut services to taxpayers and residents, in order to maintain the City's financial health, it is incumbent on the City to protect core services. The City is considering recommendations or actions that mostly include cuts in employees and services, including the layoff of over 1,000 city employees and consequent cuts in services to residents. Prior to embarking on such a drastic measure, the City should examine a number of viable measures to deal with the fiscal crisis. It is particularly important for the City to maximize the use of ARRA ("Stimulus) funds made available to the City "for the purposes of (1) preserving and creating jobs and (2) stimulating economic growth.

Therefore, I move that the Financial Status Report dated January 29, 2010, Item 10 on today's Council Agenda (CF 09-0600-S159), BE AMENDED, consistent with other, earlier Council Motions as follows:

1. Instruct the ^{CAO} budget analyst for each City department to report on the use of the ARRA funds in the department.
2. The report should include at least the following:
 - a. The nature and amount of funds for which the department has applied
 - b. The nature and amount of funds for which the department is eligible
 - c. The amount approved and the amount received
 - d. The number of jobs proposed to be preserved or created and the actual number of jobs that have been preserved or created.
3. The report shall be provided within one week and shall continue to be provided each week until further notice.

PRESENTED BY:


RICHARD ALARCÓN
Councilmember, 7th District



ORIGINAL



ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL

FEB 3 2010

MOTION

I MOVE that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item No. 10 on today's Council Agenda (CF 09-0600-S159) **BE AMENDED** to instruct the CAO to consider a new solution for raising revenues: the sale of tax liens or any other kind of liens held by the City, inasmuch as this practice has been successfully utilized by such entities as New York City as well as the school districts of Los Angeles County.

PRESENTED BY:



JANICE HAHN
Councilwoman, 15th District

SECONDED BY:



ORIGINAL

February 3, 2009
ak

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL



MOTION

I MOVE, that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item 10 on today's Council agenda (Council File 09-0600-S159), BE AMENDED to instruct the CAO and CLA, with the assistance of departments, to develop revenue generating strategies to mitigate General Fund support when considering elimination or consolidation of any City department; and further include job development consideration through additional grants and public/private partnership opportunities.

PRESENTED BY *Ed P. Reyes*
ED P. REYES
Councilmember, 1st District

SECONDED BY *Bernard C. Parks*

ORIGINAL

ADOPTED
FEB 03 2010
LOS ANGELES CITY COUNCIL

February 3, 2010

BJ

MOTION

I MOVE, that the matter of the Communication from the City Administrative Officer relative to the Mid-Year (Third) Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item 10 on today's Council agenda (Council File 09-0600-S159), BE AMENDED to instruct that no layoffs of City personnel take place in the next 30 days, with the goal of transferring at least 1,000 positions to proprietary, special and vacant funded positions;

In order to continue the process of layoff calculations, I FURTHER MOVE that:

- a) General Managers BE INSTRUCTED to identify the potential number and classification of employees required to be laid off; and,
- b) The General Manager of the Personnel Department BE INSTRUCTED to calculate all necessary layoffs.

PRESENTED BY: Eric Garcetti
ERIC GARCETTI
Councilmember, 13th District

SECONDED BY: Benard C. Lee
Paul Kuntz

ORIGINAL

February 3, 2010

kk APZ

ADOPTED
FEB 03 2010
LOS ANGELES CITY COUNCIL

MOTION

The recently released Mid-Year Financial Status Report exponentially increases the urgency for City policy makers to act quickly to move civilian positions from the General Fund into Special Funded positions. Employees are expected to find out this week whether the jobs they currently hold are at risk for elimination as part of the 1000-1500 positions that the EERC has called for cutting in order to reduce salary costs in FY2010-11.

Departments are sponsoring job fairs to promote open positions that they have available for workers at risk of being displaced. The more employees who voluntarily agree to a transfer, the fewer people further down the line will need to be bumped or let go. The City should reach out to labor to assist General Managers, Personnel and the CAO in identifying which available positions workers at risk of losing their positions are best qualified for.

There are a number of safely funded positions that are available, some of which have proven hard for General Managers to fill due to the hiring freeze and requirements that existing staff agree to transfer into these positions. Hopefully, workers whose positions are at risk will agree to take these jobs and avoid the stress of going through the "cascading" process, in which several workers potentially would be affected and overall efficiency will decline.

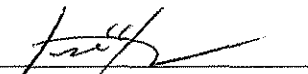
Additionally, we need to take steps to ensure that workers can take full advantage of open positions. Often, employees have many of the skills necessary to complete a task but lack the specific training needed to fill the role. The City has a program through the Community Development Department to retrain workers that have been let go. We should broaden this program to include training workers at risk of being laid off learn the skills they need to fill another available City position. Federal funding is likely available for this purpose.

Another way to help train workers taking over new roles is to have them "shadow" the employees that they are scheduled to replace. With many positions at the Harbor and Airport departments scheduled for replacement currently filled by workers getting ready to retire the CAO and Personnel should work with those their human relations staffs to identify departing workers who could be paired with new hires, with a limited period of overlap for training.

I THEREFORE MOVE that Item #10 on today's Council agenda pertaining to recommendation #44 in the Mid-Year Financial Status Report (CF#09-0600-S159) be amended to include a formal request by the Council to all of the City's labor representatives to assist in communicating with their members who may be at risk of having their positions eliminated to find other positions that are special funded or whose funding is more secure.

I FURTHER MOVE that the Community Development Department, with assistance from the CAO and Personnel Department, be requested to expand its displaced worker retraining program to also include workers at risk of being laid off who need to learn new skills.

I FURTHER MOVE that the CAO and Personnel Department be requested to work with the proprietary departments and departments with vacant special funded positions to come up with a "shadowing" program in which new transfers spend a transition period in training.

PRESENTED BY: 
JOSE HUIZAR
Councilmember
14th District

SECONDED BY: 

ADOPTED

FEB 3 2010

FEB 03 2010

LOS ANGELES CITY COUNCIL

ORIGINAL

MOTION

The City Council is considering eliminating upwards of 1,500 General Funded positions throughout all City departments in order to address a growing gap between City revenues and expenses, which currently stands at \$200M for fiscal year 2009-10. Absent a reduction in General Fund expenses, the City's fiscal situation is expected to further deteriorate due to a continued downward trend in revenues.

The City's Controller has identified that roughly half of the positions vacated through the Early Retirement Incentive Program (ERIP) are funded through special funds or reside in proprietary departments. That means that approximately 1200 special funded positions will be available for current employees to transfer into, eliminating the strain on the City's General Fund.

Every effort must be made to expedite such transfers, inasmuch as each transfer will help to reduce General Fund costs at a time when drastic cuts are being considered.

I THEREFORE MOVE that the Personnel Department, with the assistance LACERS and other pertinent departments, to move quickly to identify all specially funded positions, including those at the proprietary departments, and match employees currently in general funded positions and transfer them into specially funded positions.

I FURTHER MOVE that the Council implement Charter Section 1014, relative to emergency transfers, as necessary to allow for employees to transfer into these specially funded positions immediately.

PRESENTED BY: Janice Hahn
Janice Hahn
Councilwoman, 15th District

SECONDED BY: Paul Kulkorn

ORIGINAL

Feb. 3, 2010

MB

ADOPTED

FEB 03 2010

LOS ANGELES CITY CLERK

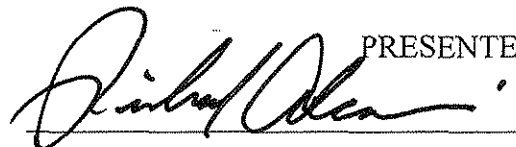
MOTION

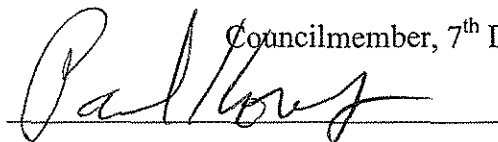
The City faces one of the most severe financial crises in decades. While the severity of the situation requires the City to cut services to taxpayers and residents, in order to maintain the City's financial health, it is incumbent on the City to protect core services. The City is considering recommendations or actions that mostly include cuts in employees and services, including the layoff of over 1,000 city employees and consequent cuts in services to residents. Prior to embarking on such a drastic measure, the City should examine a number of viable measures to deal with the fiscal crisis. Employees are a valuable resource for determining more cost-effective and efficient ways to provide services to residents

Therefore, I move that the Financial Status Report dated January 29, 2010, Item 10 on today's Council Agenda (CF 09-0600-S159), BE AMENDED, consistent with other, earlier Council Motions as follows:

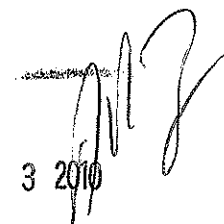
- (1) the CAO and CLA be instructed to form a management-labor committee at each department and an oversight Citywide committee to propose efficiencies and savings in each department, other than those within the purview of the EERC, while preserving core services; including but not limited to
 - a. cost efficiencies and cost reductions,
 - b. personnel and resource deployment,
 - c. administrative restructuring, including department mergers and elimination

The Citywide team shall report to the Council each week on Tuesday or Wednesday until otherwise directed.

PRESENTED BY:

 RICHARD ALARCÓN


 Councilmember, 7th District

ORIGINAL

FEB 3 2010


ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL

10 Y

MOTION

I MOVE that Item #10 on the Wednesday, February 3, 2010 City Council Agenda relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, be amended to remove from consideration under Recommendation #45 (Elimination of 1,000 General Funded Positions) any reductions to the Bureau of Engineering that would result in the closure of the West Los Angeles District Office, consistent with the instructions in the 2009-10 Adopted Budget.

I FURTHER MOVE that the Bureau of Engineering and the CAO report to the City Council with an alternative set of cuts that will maintain the savings anticipated, while dispersing those cuts across the entire Bureau, as appropriate.

PRESENTED BY:



Bill Rosendahl
Councilmember, 11th District

SECONDED BY:



ORIGINAL

February 3, 2010

ADOPTED

FEB 03 2010

LOS ANGELES CITY COUNCIL



M O T I O N

The City's financial difficulties and needs are beyond any point that we have seen since the Great depression and we MUST do everything within our power to ensure that Angelenos at this particular vulnerable time continue to receive all services that they are legally entitled. That means that we must reexamine all City operations and wherever necessary, change the way we do business to ensure optimal use of City resources.

Currently City's fleet inventory is in excess of 12,000 units of fleet equipment, the City runs over 50 fleet repair facilities, employs over 1000 fleet operations personnel, and spends over \$100 million in fleet operations (from purchases to remarketing) on an annual basis. These costs do not include the fleet operations of the City's proprietary departments.

City's fleet service operations are administered by the departments of General Services, Police, and Fire for the general city fleet, Police fleet, and Fire fleet respectively. The City's fleet repair facilities cater exclusively to the following categories: aerial fleet repairs, landfill, light duty shops, parking enforcement (light duty only), refuse equipment, Fire Department, and Police Department Fleet.

The city needs but lacks a comprehensive and uniform blueprint which identifies and prioritizes City fleet goals for any given period. The City lacks ongoing strategic direction in its segmented fleet operation as operational decision making is made in silos and with very little regard to economies of scale. It is therefore imperative that we recognize various opportunities that have been presented to us in disguise, by the current budgetary challenges. Such opportunities include: reduction in fleet size to save money and improve efficiency; uniform technology solutions for more effective management including fully automated fuel management, fully automated fuel management, GPS and effective fleet operations consolidation.

The City will lose more than 100 fleet operations' staff in 2010 with no practical way to replace all retired mechanics, yet these functions are very vital and without which the City would face negligent liabilities due to accidents resulting from deferred maintenance.

I THEREFORE MOVE that that the City Council authorize the formation of a taskforce and direct the LAPD, LAFD and General Services department to work with the CLA, CAO and the Mayor's Office to come up with solutions including but not limited to the following:

1. An immediate service sharing plan that would allow the City to manage all its fleet operations with existing staff after ERIP
2. Comprehensive fleet management consolidation plan for GSD, Police and Fire
3. Fleet Cost charge backs to hold all general managers accountable for the cost of their departmental fleet needs
4. Fleet reduction strategy to include rightsizing plan, utilization standards
5. Industry best practices to help increase efficiency

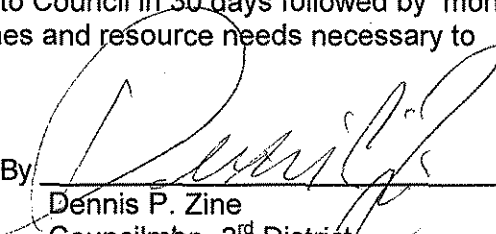
I FURTHER MOVE that the said taskforce, report back to Council in 30 days followed by monthly updates to City Council and Mayor, with goals, milestones and resource needs necessary to make the City fleet operation more cost effective.

ADOPTED

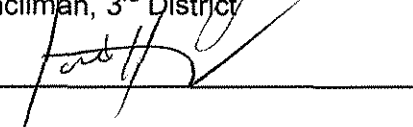
FEB 03 2010

FEB 3 2010 ANGELES CITY COUNCIL

Presented By


Dennis P. Zine
Councilman, 3rd District

Seconded By



ORIGINAL

MOTION

I MOVE that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item 10 on today's Council agenda (Council File 09-0600-S159), BE AMENDED to Refer Recommendation No. 50 in the Financial Status Report regarding the Modifications to the funding of the Neighborhood Empowerment Program to the Education and Neighborhoods Committee and report back to the Council within 30 days.

PRESENTED BY: Paul Kerkorian
PAUL KREKORIAN
Councilmember, 2nd District

SECONDED BY: Paul Kretz

ORIGINAL

FEB 03 2010 — CONTINUED TO Feb. 9, 2010

FEB 3 2010

MOTION

10BB

The discussion of today's Mid-Year Financial Status Report (FSR) has been made more complicated by the inclusion of a new Three-Year Plan to Fiscal Sustainability. While the CAO is to be commended for attempting to develop a long-term strategy for how to steer the City through its upcoming challenges, the Council needs to focus on the next few months.

With a \$200M deficit that must be filled quickly so that we can begin focusing on the 2010-11 budget in late April, the Council needs a Short-Term Plan for Fiscal Solvency. Such a plan should have a focus of no more than six months, as there is little reason to focus on problems we will be facing two or three years from now when we are facing fiscal crisis on the horizon.

I THEREFORE MOVE that Item #10 on today's Council agenda pertaining to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability (CF#09-0600-S159) be amended to include an instruction to the CAO that they produce within 5 days a Short-Term Plan for Fiscal Solvency to aid the Council in making decisions that have the potential to increase revenue or reduce costs within the current fiscal year or beginning of FY2010-11.

I FURTHER MOVE that the CLA be instructed to update its matrix of proposed revenue generating ideas, produced for the special meetings of the Council devoted to developing ways to increase our General Fund, along with a calendar of dates for when Council must act to place any of these matters on an upcoming Citywide ballot.

PRESENTED BY: *[Signature]*
JOSE HUIZAR
Councilmember
14th District

SECONDED BY: *[Signature]*

ADOPTED
FEB 03 2010
LOS ANGELES CITY COUNCIL

FEB 3 2010

ORIGINAL

MOTION

I MOVE that the matter of the Communication from the City Administrative Officer relative to the Mid-Year Financial Status Report and Three-Year Plan to Fiscal Sustainability, Item No. 10 on today's Council Agenda (CF 09-0600-S159) **BE AMENDED** to instruct the Office of Finance to immediately release a new Request for Proposals (RFP) for all primary collection efforts.

PRESENTED BY: 
JANICE HAHN
Councilwoman, 15th District

SECONDED BY: 

February 3, 2009
ak

FEB 03 2010 - CONTINUED TO Feb 9, 2010

ORIGINAL

