

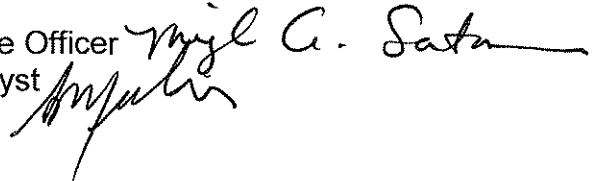
**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

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**

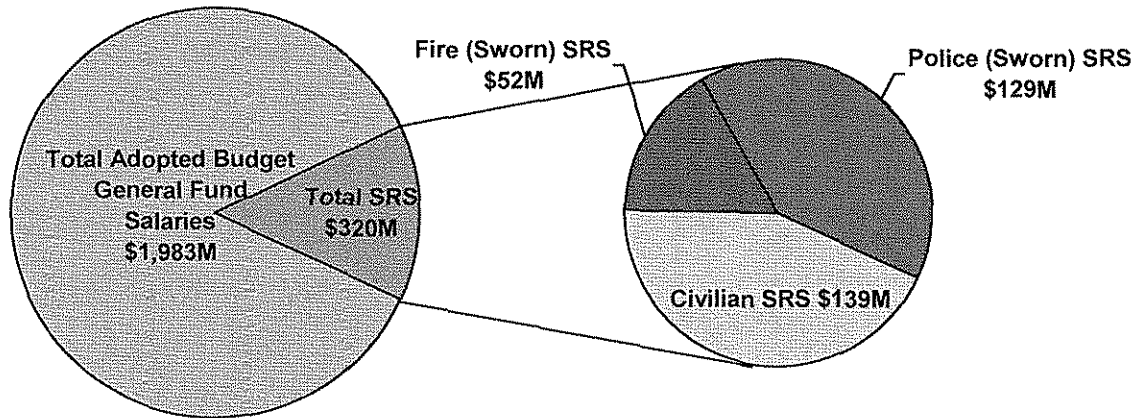
In presenting the 2009-10 Proposed Budget, the Mayor identified a total budget gap of \$529 million. The budget gap was primarily due to an anticipated \$309 million decline in General Fund revenues and a nearly five percent increase in expenditures associated with maintaining current service levels. 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**

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)

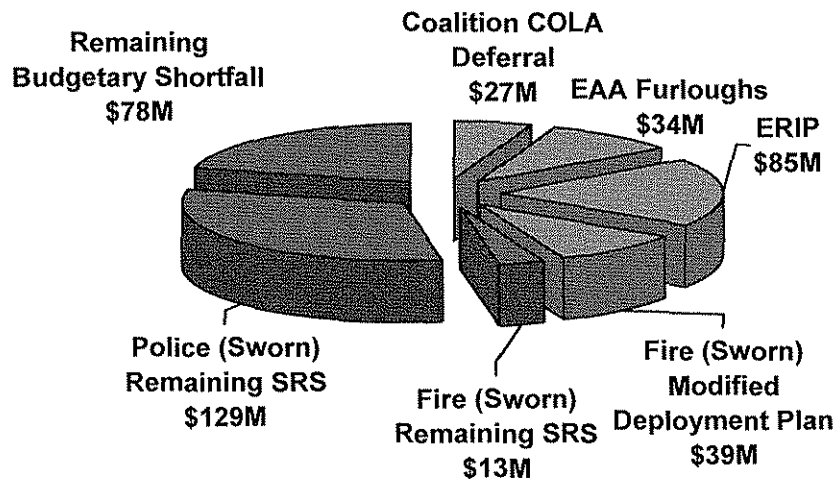
The fiscal emergency declared by the Mayor and Council allows the City to implement a work Furlough Program. It was anticipated that the City would schedule a reduced work schedule of 72 hours per pay period for all employees. Prior to implementing the Furlough Program, the City arrived at the previously 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:

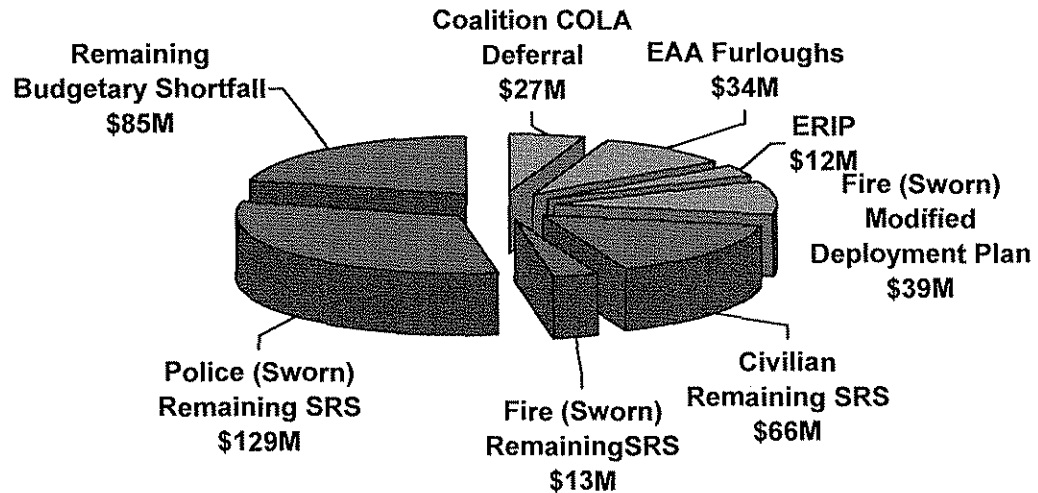
### ERIP SAVINGS ANALYSIS

(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.

<b>Potential Options</b>	<b>Cost Savings (millions)</b>
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>
<b>Average Annual Salaries</b>	<b>\$ 70,865</b>	<b>\$ 63,437</b>	<b>\$ 87,272</b>			
<b>Average 5-Months Salaries</b>	<b>\$ 29,527</b>	<b>\$ 26,432</b>	<b>\$ 36,363</b>			
<b>Total 5-Months Salaries</b>	<b>\$ 442,491,622</b>	<b>\$ 272,672,512</b>	<b>\$ 169,815,210</b>			

**Four-Year Budget Outlook (\$ millions)**

	<b>2009-10 Adopted</b>	<b>2009-10 Revised</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
<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
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>

<b>Average Annual Salaries</b>	\$ 70,865	\$ 63,437	\$ 87,272
<b>Average 5-Months Salaries</b>	\$ 29,527	\$ 26,432	\$ 36,363

<b>Total 5-Months Salaries</b>	\$ 442,491,622	\$ 272,672,512	\$ 169,815,210
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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
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<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>
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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
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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>
<b>Average Annual Salaries</b>	<b>\$ 70,865</b>	<b>\$ 63,437</b>	<b>\$ 87,272</b>			
<b>Average 5-Months Salaries</b>	<b>\$ 29,527</b>	<b>\$ 26,432</b>	<b>\$ 36,363</b>			
<b>Total 5-Months Salaries</b>	<b>\$ 442,491,622</b>	<b>\$ 272,672,512</b>	<b>\$ 169,815,210</b>			

**ATTACHMENT 2**

**Aging**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
<b>1. 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>				
<b>2. 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>	\$ 4,086	-	\$ 4,086	48
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>				
<p><b>3. Baseline Budget Status</b></p> <p>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.</p>	\$ (3,200,000)	-	\$ (3,200,000)	374
<b>Global Solutions</b>				
<p><b>4. Employee Work Furloughs</b></p> <p>Reflect 26 days of furlough savings for all civilian employees. The Department will manage employee schedules to minimize service level impacts.</p>	\$ 1,954,000	-	\$ 1,954,000	-
<b>Targeted Separations</b>				
<p><b>5. Achieved Voluntary Employee Separations</b></p> <p>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.</p>	\$ 50,454	-	\$ 50,454	(1)
<p><b>6. Expected Voluntary Employee Separations</b></p> <p>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.</p>	\$ 24,218	-	\$ 24,218	(1)
<p><b>7. Shelter Operations</b></p> <p>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.</p>	\$ 579,173	-	\$ 579,173	(31)
<p><b>8. Field Operations Program</b></p> <p>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.</p>	\$ 197,498	-	\$ 197,498	(7)
<p><b>9. Medical and Administrative Hearing Services</b></p> <p>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.</p>	\$ 121,670	-	\$ 121,670	(5)
<p><b>10. Call Center</b></p> <p>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.</p>	\$ 144,040	-	\$ 144,040	(6)

**ATTACHMENT 2  
Animal Services**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Other Changes or Adjustments</b>				
11. <b>Animal Spay and Neuter Trust Fund</b>	\$ 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>	\$ (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>				
<b>12. 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>				
<b>13. 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>				
<b>14. 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)
<b>15. 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)
<b>16. 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)
<b>17. 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>				
<b>18. 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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<b>2009-10 Baseline Budget Status</b>	\$	(3,050,758)	-	\$	(3,050,758)	970
Operational Plan Solutions		3,050,758	-		3,050,758	(104)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$	-	-	\$	-	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 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>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>126</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (1,748,339)	-	\$ (1,748,339)	134
Operational Plan Solutions	1,748,339	-	1,748,339	(8)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>126</b>

## ATTACHMENT 2

## City Attorney

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
26. <b>Baseline Budget Status</b>	\$ (15,417,245)	-	\$ (15,417,245)	1,014
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>				
27. <b>Employee Work Furloughs</b>	\$ 8,954,635	-	\$ 8,954,635	-
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>				
28. <b>Achieved Voluntary Employee Separations</b>	\$ 436,413	-	\$ 436,413	(6)
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.				
29. <b>Expected Voluntary Employee Separations</b>	\$ 597,461	-	\$ 597,461	(10)
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.				
30. <b>General Staff Reductions</b>	\$ 2,723,265	-	\$ 2,723,265	(48)
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.				
31. <b>Safe Schools Reduction</b>	\$ 316,754	-	\$ 316,754	(6)
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.				
<b>Increased Sources of Funds</b>				
32. <b>CLEAR Interim Transfers</b>	\$ 842,277	-	\$ 842,277	-
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.				
33. <b>Intellectual Property Fund Interim Transfer</b>	\$ 322,619	-	\$ 322,619	-
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.				

**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>				
<b>37. 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>				
<b>38. 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>				
<b>39. 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)
<b>40. 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>				
<b>41. 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>	\$ 671,968	-	\$ 671,968	135
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (1,328,341)	-	\$ (1,328,341)	142
Operational Plan Solutions	2,000,309	-	2,000,309	(7)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 671,968	-	\$ 671,968	135

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

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
42. <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.	\$ -	-	\$ -	278
<b>Global Solutions</b>				
43. <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.	\$ -	(1,096,888)	\$ (1,096,888)	-
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>\$ -</b>	<b>(1,096,888)</b>	<b>\$ (1,096,888)</b>	<b>278</b>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ -	-	\$ -	278
Operational Plan Solutions	-	(1,096,888)	(1,096,888)	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ -</b>	<b>(1,096,888)</b>	<b>\$ (1,096,888)</b>	<b>278</b>

**ATTACHMENT 2  
Controller**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
44. <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.	\$ (1,710,175)	-	\$ (1,710,175)	186
<b>Global Solutions</b>				
45. <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.	\$ 1,664,330	-	\$ 1,664,330	-
<b>Other Changes or Adjustments</b>				
46. <b>Blank Item</b>	\$ -	-	\$ -	-
<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	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>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (235,329)	-	\$ (235,329)	153
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> 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.	\$ -	-	\$ -	80
<b>TOTAL COUNCIL</b>	\$ -	-	\$ -	80

<b>2009-10 Baseline Budget Status</b>	\$ -	-	\$ -	80
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>	\$ 1,143,239	300,000	\$ 1,443,239	65
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ 109,941	-	\$ 109,941	65
Operational Plan Solutions	1,033,298	300,000	1,333,298	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 1,143,239	300,000	\$ 1,443,239	65

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

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
<b>55. 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>				
<b>56. 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>				
<b>57. 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>	\$ (79,571)	-	\$ (79,571)	19
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>
<hr/>				
<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>	\$ (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	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>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>3</b>
<hr/>				
<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>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>3</b>

**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>	<b>\$ (9,264)</b>	<b>-</b>	<b>\$ (9,264)</b>	<b>29</b>
<b>2009-10 Baseline Budget Status</b>	\$ (162,292)	-	\$ (162,292)	29
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	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>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>23</b>
<hr/>				
<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>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>23</b>

## ATTACHMENT 2

## Finance

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
80. <b>Baseline Budget Status</b>	\$ (4,111,330)	-	\$ (4,111,330)	377
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>				
81. <b>Employee Work Furloughs</b>	\$ 2,690,371	(15,000,000)	\$ (12,309,629)	-
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>				
82. <b>Achieved Voluntary Employee Separations</b>	\$ 149,076	-	\$ 149,076	(3)
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.				
83. <b>Expected Voluntary Employee Separations</b>	\$ 59,760	-	\$ 59,760	(1)
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.				
84. <b>General Finance Support Activities</b>	\$ 39,620	-	\$ 39,620	(2)
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.				
85. <b>Document Maintenance Services</b>	\$ 85,452	-	\$ 85,452	(4)
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.				
86. <b>Renewals</b>	\$ 19,205	-	\$ 19,205	(1)
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.				
87. <b>Teller Unit</b>	\$ 19,205	-	\$ 19,205	(1)
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.				

**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>	\$ (4,111,330)	-	\$ (4,111,330)	377
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>	<b>\$ 378,484</b>	<b>-</b>	<b>\$ 378,484</b>	<b>367</b>

<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>	<b>\$ 378,484</b>	<b>-</b>	<b>\$ 378,484</b>	<b>367</b>

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

Operational Plan Items	Amounts		Emp. Level
	Expenditure	Revenue	
<b>Baseline Budget Status</b>			
<b>94. 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>			
<b>95. 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>			
<b>96. 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)
<b>97. 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)
<b>98. 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)
<b>99. 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)
<b>100. 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)
<b>101. 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)
<b>102. 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> 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.	\$ 936,292	-	\$ 936,292	(38)
105. <b>Building Maintenance</b> 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.	\$ 852,039	-	\$ 852,039	(28)
106. <b>Security Services</b> 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.	\$ 346,140	-	\$ 346,140	(17)
107. <b>Fleet Services</b> 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.	\$ 612,031	-	\$ 612,031	(23)
<b>Increased Sources of Funds</b>				
108. <b>Reimbursements for Various Projects</b> Recognize anticipated funding from various projects.	\$ -	1,827,792	\$ 1,827,792	-
<b>Other Changes or Adjustments</b>				
109. <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	-
110. <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>	\$ (1,574,790)	1,747,792	\$ 173,002	1,829
<hr/>				
<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>	\$ (1,574,790)	1,747,792	\$ 173,002	1,829

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

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
111. <b>Baseline Budget Status</b>	\$ -	-	\$ -	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>				
112. <b>Employee Work Furloughs</b>	\$ -	(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>				
113. <b>Anticipated Hires and Transfer Opportunities</b>	\$ -	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.				
114. <b>Transfer Opportunities - Inspectors</b>	\$ -	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	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Baseline Budget Status</b>				
115. <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>				
116. <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>				
117. <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	-
118. <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>	\$ 62,846	-	\$ 62,846	29
<b>2009-10 Baseline Budget Status</b>				
Operational Plan Solutions	264,226	-	264,226	-
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$ 62,846	-	\$ 62,846	29



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>	\$ (12,563,664)	-	\$ (12,563,664)	723
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>				
120. <b>Employee Work Furloughs</b>	\$ 6,444,788	(426,167)	\$ 6,018,621	-
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>				
121. <b>Achieved Voluntary Employee Separations</b>	\$ 456,116	-	\$ 456,116	(8)
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.				
122. <b>Expected Voluntary Employee Separations</b>	\$ 216,181	-	\$ 216,181	(4)
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.				
123. <b>Adopted Budget Layoff Savings</b>	\$ 1,153,524	53,938	\$ 1,207,462	(22)
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.				
124. <b>Financial Management Information System</b>	\$ 37,504	-	\$ 37,504	(1)
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.				
125. <b>Finance and Administrative Support</b>	\$ 215,134	-	\$ 215,134	(8)
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.				
126. <b>Strategic Planning and Policy Support</b>	\$ 194,619	-	\$ 194,619	(4)
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.				

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

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Targeted Separations</b>				
<b>127. 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)
<b>128. 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)
<b>129. 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)
<b>130. 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)
<b>131. 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)
<b>132. 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)
<b>133. 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	Amounts			Emp. Level
	Expenditure	Revenue	Net	
<b>Targeted Separations</b>				
<b>134. 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)
<b>135. 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)
<b>136. 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)
<b>137. 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)
<b>138. 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)
<b>139. 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>				
<b>140. 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			Emp. Level
	Expenditure	Revenue	Net	
<b>Increased Revenues</b>				
141. <b>Channel 36 Reduction</b> 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>				
142. <b>Communications Services Reductions</b> 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>	\$ (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>	<b>\$ 505,058</b>	<b>(179,649)</b>	<b>\$ 325,409</b>	<b>627</b>

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>	\$ (559,202)	-	\$ (559,202)	43
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>				
145. <b>Employee Work Furloughs</b>	\$ 354,140	-	\$ 354,140	-
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>				
146. <b>Achieved Voluntary Employee Separations</b>	\$ 247,761	-	\$ 247,761	(3)
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.				
147. <b>Staffing and Bonus Reductions</b>	\$ 320,499	-	\$ 320,499	(8)
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.				
<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>	\$ (559,202)	-	\$ (559,202)	43
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>	\$ (5,277,916)	-	\$ (5,277,916)	487
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>				
149. <b>Employee Work Furloughs</b>	\$ 3,601,115	-	\$ 3,601,115	-
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>				
150. <b>Achieved Voluntary Employee Separations</b>	\$ 379,946	-	\$ 379,946	(5)
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.				
<b>TOTAL PERSONNEL</b>	<b>\$ (1,296,855)</b>	<b>-</b>	<b>\$ (1,296,855)</b>	<b>482</b>

<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	
<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>	\$ (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>				
156. <b>Employee Work Furloughs</b>	\$ 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>				
157. <b>Achieved Voluntary Employee Separations</b>	\$ 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.				
158. <b>Expected Voluntary Employee Separations</b>	\$ 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>	\$ (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>	\$ (1,893,125)	-	\$ (1,893,125)	132
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>				
160. <b>Employee Work Furloughs</b>	\$ 636,036	(202,146)	\$ 433,890	-
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>				
161. <b>Expected Voluntary Employee Separations</b>	\$ 221,661	(71,186)	\$ 150,475	(6)
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.				
162. <b>Community Beautification Staff Reduction</b>	\$ 59,048	-	\$ 59,048	(2)
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.				
163. <b>Board and Secretariat Staff Reduction</b>	\$ 15,352	(5,699)	\$ 9,653	(1)
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.				
164. <b>Office of Accounting Staff Reduction</b>	\$ 211,993	(1,322)	\$ 210,671	(8)
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.				
<b>Increased Sources of Funds</b>				
165. <b>Interim Funding - Police Administration Building</b>	\$ 82,877	-	\$ 82,877	-
Reduce the projected shortfall with anticipated interim funding from MICLA bond funds.				
166. <b>Interim Funding - Prop Q</b>	\$ 82,877	-	\$ 82,877	-
Reduce the projected shortfall with anticipated interim funding from Proposition Q bond funds.				
167. <b>Interim Funding - Prop F</b>	\$ 230,750	-	\$ 230,750	-
Reduce the projected shortfall with anticipated interim funding from Proposition F bond funds.				

**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>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (1,893,125)	-	\$ (1,893,125)	132
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>	\$ (1,789,534)	-	\$ (1,789,534)	360
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>				
173. <b>Employee Work Furloughs</b>	\$ 1,883,452	(462,112)	\$ 1,421,340	-
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>				
174. <b>Achieved Voluntary Employee Separations</b>	\$ 207,480	-	\$ 207,480	(3)
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.				
175. <b>Expected Voluntary Employee Separations</b>	\$ 420,674	(105,168)	\$ 315,506	(6)
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.				
176. <b>Construction Inspection</b>	\$ 149,240	-	\$ 149,240	(4)
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.				
<b>Increased Sources of Funds</b>				
177. <b>Interim Funding - Police Administration Building</b>	\$ 506,283	-	\$ 506,283	-
Reduce the projected shortfall with anticipated interim funding from MICLA bond funds.				
178. <b>Interim Funding - Fire Bond</b>	\$ 263,881	-	\$ 263,881	-
Reduce the projected shortfall with anticipated interim funding from Fire bond funds.				
179. <b>Interim Funding - Prop Q</b>	\$ 149,300	-	\$ 149,300	-
Reduce the projected shortfall with anticipated interim funding from Proposition Q bond funds.				
180. <b>Interim Funding - Library Bond</b>	\$ 52,931	-	\$ 52,931	-
Reduce the projected shortfall with anticipated interim funding from Library bond funds.				

**ATTACHMENT 2**

**TOTAL BUREAU OF CONTRACT ADMINISTRATION**

\$	1,843,707	(567,280)	\$	1,276,427	347
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<b>2009-10 Baseline Budget Status</b>	\$	(1,789,534)	-	\$	(1,789,534)	360
Operational Plan Solutions		3,633,241	(567,280)		3,065,961	(13)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	\$	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>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (9,207,874)	-	\$ (9,207,874)	953
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>	\$ -	-	\$ -	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>				
202. <b>Employee Work Furloughs</b>	\$ -	(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>	<b>\$ -</b>	<b>(12,303,029)</b>	<b>\$ (12,303,029)</b>	<b>2,719</b>
<hr/>				
<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>	<b>\$ -</b>	<b>(12,303,029)</b>	<b>\$ (12,303,029)</b>	<b>2,719</b>



**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> 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.	\$ -	-	\$ -	215
<b>Other Changes or Adjustments</b>				
204. <b>LED Program</b> 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.	\$ -	284,524	\$ 284,524	11
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>	<b>\$ -</b>	<b>284,524</b>	<b>\$ 284,524</b>	<b>226</b>

<b>2009-10 Baseline Budget Status</b>	\$ -	-	\$ -	215
Operational Plan Solutions	-	284,524	284,524	11
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ -</b>	<b>284,524</b>	<b>\$ 284,524</b>	<b>226</b>

**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>	\$ (11,547,948)	-	\$ (11,547,948)	1,361
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>				
207. <b>Employee Work Furloughs</b>	\$ 3,687,193	-	\$ 3,687,193	-
Reflect 26 days of furlough savings for all civilian employees. The Bureau will manage employee schedules to minimize service level impacts.				
<b>Targeted Separations</b>				
208. <b>Achieved Voluntary Employee Separations</b>	\$ 1,347,797	-	\$ 1,347,797	(22)
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.				
<b>Increased Sources of Funds</b>				
209. <b>Century City Traffic Protection Trust Fund</b>	\$ 14,500	-	\$ 14,500	-
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.				
210. <b>Subventions and Grants - Comm. Redel. Agency</b>	\$ 1,430,000	-	\$ 1,430,000	-
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.				
211. <b>Street Furniture Revenue Fund</b>	\$ 325,000	-	\$ 325,000	-
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.				
212. <b>Real Property Trust Fund</b>	\$ 715,000	-	\$ 715,000	-
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.				
213. <b>Community Development Trust Fund</b>	\$ 300,000	-	\$ 300,000	-
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.				
214. <b>MICLA Lease Revenue</b>	\$ 513,423	-	\$ 513,423	-
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.				

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>
<hr/>				
<b>2009-10 Baseline Budget Status</b>	\$ (11,547,948)	-	\$ (11,547,948)	1,361
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>				
Operational Plan Solutions	\$ (10,620,530)	-	\$ (10,620,530)	1,607
	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> 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>				
237. <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>Targeted Separations</b>				
238. <b>Achieved Voluntary Employee Separations</b>	\$ -	-	\$ -	-
<b>Other Changes or Adjustments</b>				
239. <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

<b>2009-10 Baseline Budget Status</b>	\$ (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>				
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>	<b>\$ 2,292,479</b>	<b>-</b>	<b>\$ 2,292,479</b>	<b>219</b>

<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>	<b>\$ 2,292,479</b>	<b>-</b>	<b>\$ 2,292,479</b>	<b>219</b>

**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 be used to offset the city's overall current year shortfall.	\$ 53,190	-	\$ 53,190	-
<b>TOTAL LIBRARY</b>	\$ -	-	\$ -	1,371
<hr/>				
<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	Expenditure	Amounts Revenue	Net	Emp. Level
<b>2009-10 Baseline Budget Status</b>	\$ (165,560,306)	-	\$ (165,560,306)	22,725
Operational Plan Solutions	185,376,779	(31,876,393)	153,500,386	(926)
<b>2009-10 ADJUSTED BUDGET STATUS</b>	<b>\$ 19,816,473</b>	<b>(31,876,393)</b>	<b>\$ (12,059,920)</b>	<b>21,799</b>

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.