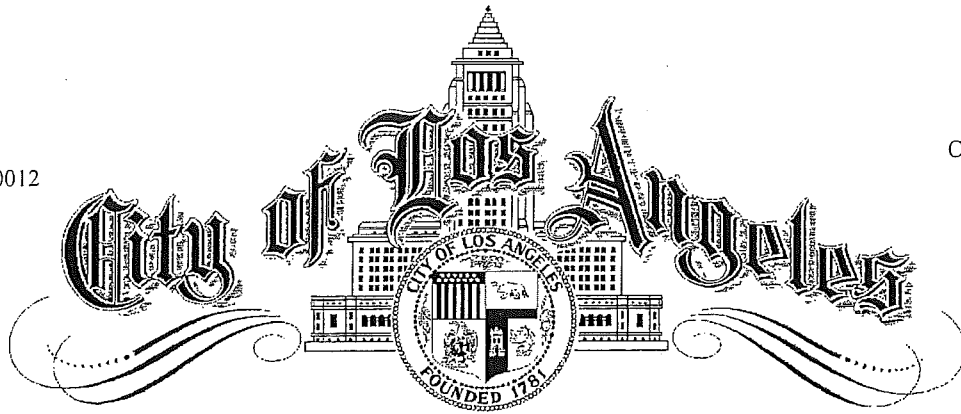


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CARMEN A. TRUTANICH
City Attorney

February 3, 2010

The Honorable City Council
City of Los Angeles
Room 395, City Hall
Los Angeles, CA 90012

To the Honorable City Council:

Attached please find the following materials relevant to the City Attorney's presentation today. I look forward to discussing these very important matters with you all.

The attachments include:

1. Mid-Year Financial Status Report: Presentation to Budget and Finance Committee, February 1, 2010, by William W. Carter;
2. Letter to the Honorable Bernard C. Parks, Chair, Budget Committee, January 29, 2010, from City Attorney Carmen A. Trutanich, transmitting the City Attorney's January 27, 2010 letter to Miguel A. Santana, City Administrative Officer;
3. Office of the City Attorney Budget 2009-10, Requested Revisions to the Mid-Year Financial Status Report 2/2/2010, and FSR Attachment 1, Status of the City Budget, City Attorney, REVISED;
4. City Attorney's 2009/10 Budget Balancing Plan;
5. City Attorney's Office: Additional Cost Saving Measures and Revenue Generation Ideas Being Activated FY 2009-10.

It is our hope that any measures approved by the Council to meet the City's difficult challenges adequately protect the core public safety missions owed to its citizens.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'Carmen A. Trutanich'.

CARMEN A. TRUTANICH
City Attorney

Attachments

COMMENTS OF WILLIAM W. CARTER, CHIEF DEPUTY
OFFICE OF THE CITY ATTORNEY



BEFORE THE BUDGET AND FINANCE COMMITTEE ON 2/1/10
RE: MID-YEAR FINANCIAL STATUS REPORT (ISSUED 1/29/10)

THE MID-YEAR FINANCIAL REPORT CONTAINS A VERY CONSERVATIVE SET OF ASSUMPTIONS THAT DOES NOT TAKE INTO ACCOUNT THE ACTUAL CURRENT AND PROJECTED FINANCIAL SITUATION IN THE OFFICE OF THE CITY ATTORNEY.

IN SHORT, THE FIGURES IN THE FSR RELATING TO THIS OFFICE ARE FLAT OUT INACCURATE AND ATTEMPT TO SUPPORT RECOMMENDATIONS, INCLUDING THOSE REGARDING PROPOSED LAYOFFS OF 100 STAFF – THAT ARE NOT BASED IN REALITY.

AND MORE DISTURBINGLY, WOULD BE DETRIMENTAL TO THE PUBLIC SAFETY OF THE CITY, ITS EMPLOYEES AND THEIR FAMILIES.

THIS OFFICE THEREFORE REQUESTS AN OPPORTUNITY TO PROVIDE THE CAO, THIS COMMITTEE AND THE FULL COUNCIL WITH ACCURATE AND UPDATED INFORMATION THAT ACTUALLY REFLECTS THE FINANCIAL CONDITION OF THIS OFFICE.

THIS OFFICE IS CONFIDENT THAT ONCE THE ACCURATE INFORMATION IS REVIEWED AND A PROPER ANALYSIS PERFORMED, THE FSR WILL BE MODIFIED AND THE PROPOSED RECOMMENDATION FOR 100 LAYOFFS WILL BE WITHDRAWN.

FOR EXAMPLE, ON PAGE 29 AND ATTACHMENT 1 OF THE FSR, THE CAO STATES THAT THIS OFFICE IS PROJECTED TO HAVE A GENERAL FUND DEFICIT OF \$8.6 MILLION – ATTRIBUTED PRIMARILY TO:

A \$6.4 MILLION DEFICIT IN SALARIES

A \$2.7 MILLION DEFICIT IN LITIGATION EXPENSES

A \$100,000 DEFICIT IN OUTSIDE COUNSEL FEES

THE FSR USES THIS PURPORTED \$8.6 MILLION DEFICIT TO JUSTIFY A RECOMMENDED LAYOFF OF 100 STAFF.

THESE FIGURES ARE WRONG. THE ACTUAL CURRENT DEFICIT OF THIS OFFICE IS APPROXIMATELY \$5.5 MILLION, WITH A PROJECTED YEAR-END DEFICIT ON 6/30/10 OF APPROXIMATELY \$3.5 MILLION – WHICH DOES NOT EQUAL 100 POSITIONS.

THIS OFFICE HAS BEEN ABLE TO SIGNIFICANTLY REDUCE THE \$15 MILLION DEFICIT IT INHERITED ON 7/10/09 BY AGGRESSIVELY

1) CUTTING LITIGATION COSTS.

THE FSR INCORRECTLY LISTS A DEFICIT OF \$2.75 MILLION. THE SHORTFALL WILL ONLY ACTUALLY BE \$750,000.

AND AGAIN – THIS IS MONEY WE SPEND DEFENDING OTHER CITY DEPARTMENTS. OUR OFFICE DOES NOT CREATE LIABILITY – OTHER DEPARTMENTS DO. WE DEFEND

AGAINST THE LIABILITY FOR OTHER DEPARTMENTS.

2) REDUCING COSTS FOR OUTSIDE COUNSEL.

THE FSR IS WRONG. AT THE END OF THIS FISCAL YEAR, WE PROJECT AND ARE ON TRACK TO HAVE A SURPLUS OF \$500,000 – NOT A DEFICIT.

3) WINNING CASES THAT COULD HAVE COST THIS CITY OVER \$80 MILLION – IN JUST SIX MONTHS.

4) PROMOTING VOLUNTARY FURLOUGHS.

THE FSR IS WRONG IN REGARD TO THAT FIGURE.

5) SIGNIFICANTLY INCREASING THE COLLECTION OF DEBTS OWED TO THE CITY.

6) REDUCING STAFF THROUGH ERIP.

MORE STAFF HAS ERIP'ED THAN WE ARE CREDITED FOR IN THE FSR.

7) IMPLEMENTING A RESERVE DEPUTY PROGRAM THAT IS WORTH OVER \$2 MILLION ANNUALLY TO THE CITY.

AND

8) TRANSFERRING STAFF FROM THE GENERAL FUND TO SPECIAL FUNDS, INCLUDING THE PROPRIETARY DEPARTMENTS.

WE ATTEMPTED TO EXPLAIN THESE FIGURES TO THE CAO, BUT SUCH COST-SAVING MEASURES AND SUCCESSES ARE NOT REFLECTED IN THE FSR.

THESE INACCURACIES SHOULD BE CORRECTED – AND SHOULD NOT BE RELIED UPON IN MAKING ANY RECOMMENDATIONS – INCLUDING THOSE RELATING TO ANY PROPOSED LAYOFFS.

MOREOVER, IN THE EVENT THERE ARE ANY BUDGET SHORTFALLS IN THIS OFFICE, WE AS MANAGERS OF A DEPARTMENT SHOULD BE ALLOWED TO USE OUR DISCRETION TO BEST MEET THOSE SHORTFALLS.

IT IS ALSO IMPORTANT TO NOTE - AS RECOGNIZED IN BOTH THE FSR AND THE THREE-YEAR PLAN TO FISCAL SUSTAINABILITY - THAT THIS OFFICE PROVIDES PUBLIC SAFETY AND FISCAL PROTECTION TO THE CITY.

OUR PROSECUTORS FILE AND HANDLE CRIMINAL VIOLATIONS REFERRED BY THE LAPD AND OTHER LAW ENFORCEMENT AGENCIES.

OUR ATTORNEYS DEFEND THE CITY TREASURY BY FIGHTING IN COURT AGAINST FRIVOLOUS LAWSUITS – INCLUDING THOSE CASES WHERE LAPD, LAFD OR THE SANITATION DEPARTMENT ARE ACCUSED OF CAUSING SERIOUS BODILY INJURY OR DEATH - SAVING THE CITY ALMOST \$80 MILLION IN THE PAST SIX MONTHS

AS LONG AS THERE ARE LAPD OFFICERS IN THE FIELD OR BLACK AND WHITES, OR FIRE AND SANITATION TRUCKS ON THE STREETS, THE CASES – BOTH

CRIMINAL AND CIVIL – WILL KEEP COMING IN OUR DOOR. WE CANNOT STOP THEM.

AND OUR ATTORNEYS ARE WORKING TO COLLECT THE OVER \$200 MILLION IN DEBT OWED TO THE CITY – COLLECTING OVER \$6 MILLION IN JUST THE LAST SIX MONTHS.

PROSECUTING CRIMES AND DEFENDING THE CITY TREASURY – ARE CORE MISSIONS OF THIS CITY - AND OUR OFFICE AND ITS ATTORNEYS DO IT IN A COST EFFECTIVE MANNER.

ALTHOUGH WE ARE A PUBLIC SAFETY OFFICE, NO OTHER PUBLIC SAFETY OFFICE HAS TAKEN THE HIT THAT WE HAVE ALREADY SUFFERED OR THAT IS NOW BEING PROPOSED IN THE FSR.

FOR EXAMPLE, THIS OFFICE SUFFERED AN 18% BUDGET REDUCTION FROM THE 2008/09 BUDGET TO THE CURRENT YEAR BUDGET (2009/10).

I AM NOT AWARE OF ANY OTHER PUBLIC SAFETY OFFICE – OR ANY OFFICE FOR THAT MATTER – THAT TOOK SUCH A REDUCTION.

AND YET – WE HAVE WORKED HARD TO MEET OUR BUDGET – AS YOU CAN SEE.

NOW, HOWEVER, THE FSR IS PROPOSING, AT A MINIMUM, ANOTHER 10% REDUCTION FOR THIS FISCAL YEAR – WHICH WILL MORE LIKELY HAVE THE EFFECT OF A 15% CUT.

THIS PROPOSED LAYOFF, COMBINED WITH THE 18% REDUCTION THIS OFFICE HAS ALREADY SUFFERED, WILL EQUATE TO ROUGHLY A 30% REDUCTION IN ONE YEAR.

NO OTHER PUBLIC SAFETY OFFICE IS SUFFERING SUCH A BLOW.

WE THEREFORE RESPECTFULLY REQUEST THE FOLLOWING:

- THAT THE FSR BE MODIFIED TO REFLECT THE ACTUAL BUDGET CONDITIONS AND PROJECTIONS OF THIS OFFICE.

- THAT ANY PROPOSED REDUCTIONS OR MODIFICATIONS BE BASED UPON ACCURATE FIGURES AND PROJECTIONS

- THAT, WE AS MANAGERS OF A DEPARTMENT, BE ALLOWED TO USE OUR DISCRETION IN MEETING OUR BUDGET TARGETS – THROUGH ANY NUMBER OF COST-SAVING MEASURES.

- THAT THE TREMENDOUS COST-SAVINGS AND COLLECTION EFFORTS, SUCCESSES AND POTENTIAL OF THIS OFFICE BE A CONSIDERED IN ANY SUCH PROPOSED REDUCTIONS – AS WELL AS THE NEGATIVE IMPACTS SUCH REDUCTIONS WOULD HAVE ON THOSE EFFORTS. THE CITY MUST THINK STRATEGICALLY IN DECIDING WHAT IT MAY NEED TO REDUCE. FOR EXAMPLE, IF THE CITY NEEDS MONEY, DON'T CUT THE FOLKS WHO GROW, GATHER AND PROTECT IT.

- THAT THE CORE PUBLIC SAFETY MISSION OF THIS OFFICE BE CONSIDERED IN PROPOSING ANY REDUCTIONS IN THIS OFFICE – AND HOW ANY SUCH REDUCTIONS WOULD NEGATIVELY IMPACT THE PROTECTION OF THE CITY TREASURY AND MORE IMPORTANTLY, THE PROTECTION OF THE PUBLIC FROM CRIMINAL VIOLATIONS AND OTHER UNSAFE CONDITIONS IN THIS CITY.

THIS OFFICE HAS WORKED HARD AND DONE ITS PART IN REDUCING COSTS AND PROTECTING PUBLIC SAFETY AND THE TREASURY DURING THESE VERY CHALLENGING TIMES.

WE THEREFORE ASK THAT ANY PROPOSED SOLUTIONS OR REDUCTIONS BE BASED UPON FACTS AND ACCURATE FIGURES, BE FAIR AND EQUITABLE AND NOT DISPROPORTIONATELY IMPACT ANY ONE DEPARTMENT OR PROGRAM - SO THAT THERE IS TRULY SHARED-SACRIFICE AMONG CITY DEPARTMENTS.

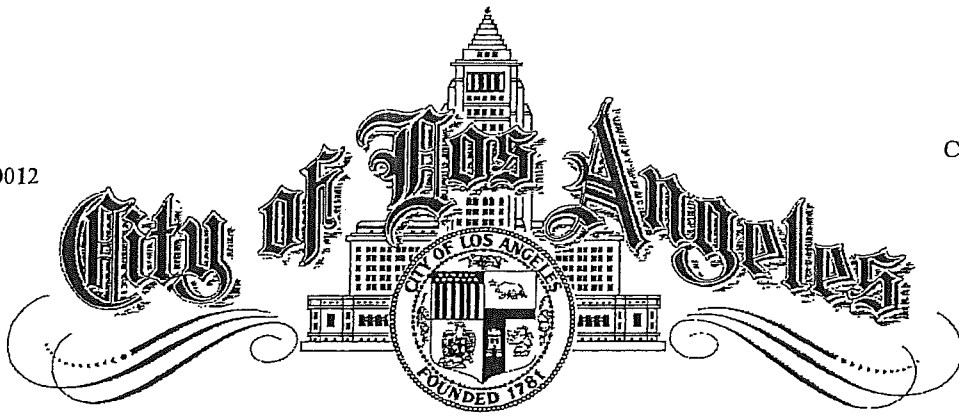
LET'S NOT PANIC OR ACT OUT OF FEAR.

LET US ACT IN A CALM, STEADY, REASONED AND RESPONSIBLE MANNER.

THANK YOU.

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CARMEN A. TRUTANICH
City Attorney

January 29, 2010

Honorable Bernard C. Parks
Chair, Budget Committee
Los Angeles City Council
Room 460, City Hall
Los Angeles, CA 90012

Dear Councilmember Parks:

Attached please find a letter dated January 27, 2010, that I sent to CAO Miguel Santana regarding the current budget problems. I understand that the Second Financial Status Report (or Mid-Year Status Report) will be issued today. I will provide my comments to that report once I've had an opportunity to thoroughly review and analyze.

I look forward to working with you and the rest of the City Council in addressing these very serious challenges facing the City. Hopefully, the needed budgetary adjustments will be fair, equitable, proportionate and reflect a true shared-sacrifice by all City departments.

Sincerely,

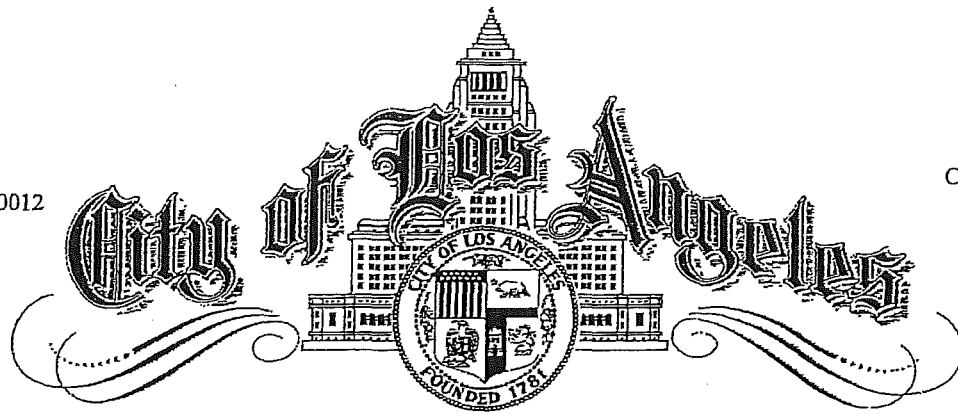
A handwritten signature in black ink, appearing to read "Carmen A. Trutanich". The signature is stylized and fluid, with a long horizontal stroke at the beginning.

Carmen A. Trutanich
Los Angeles City Attorney

Attachments

cc: Honorable Members of the Budget Committee

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CARMEN A. TRUTANICH
City Attorney

January 27, 2010

Miguel A. Santana
City Administrative Officer
Room 1500, City Hall East
Los Angeles, CA 90012

Dear Mr. ~~Santana~~ *Miguel*:

This is a follow-up to both our conversation last Friday, January 22, and an email to your office on Monday, January 25. The significant reductions in this Office purportedly proposed by the CAO, and recently published in the media, are disproportionate and not reflective of the actual budget shortfall currently existing in this Office. Specifically, such proposed draconian reductions do not recognize and credit the real and impressive cost-saving and deficit reduction successes we have already accomplished since July 1, 2009. (Attached is a listing of some of these ongoing cost-saving and debt collection actions by this Office).

As I stated, this Office recognizes the importance of bringing you and other City leaders up-to-date on the critical role that the City Attorney is playing in addressing the current financial crisis. For example, since I assumed office on July 1, 2009, this Office has achieved \$13,780,499 in actual and projected cost-savings through vacancies, renegotiated MOU agreements and employee transfers from general to proprietary and special fund positions.

Upon taking office, I inherited a budget of \$95 million that was 4.69% less than the prior year, with no change in the number of employees on the payroll. In addition, the Mayor and City Council deliberately underfunded this reduced budget by an additional \$15,417,245 on the assumption that furloughs, ERIP, regular attrition, and other City management efforts would take place early in the fiscal year and that the budget would be in balance by June 30, 2010.

Miguel A. Santana
City Administrative Officer
January 27, 2010
Page 2

We all now know that this was an unrealistic expectation. As such, the City Attorney's Office experienced a decrease of funding in excess of 18% from one fiscal year to the next, with hardly any expectation of attrition other than incentivized retirements.

Our vacancy factor was a mere 4% on July 1, 2009. By January 1, 2010, our vacancy factor has climbed to 7%. As you are aware, ERIP has been initiated, but unfortunately, its anticipated effects have not been fully realized. However, by June 30, 2010, we expect our vacancy factor to be 13%.

As of this writing, our anticipated net salary deficit is \$4,938,939. This is remarkable, considering that we began with a proposed deficit of \$15,417,245 on July 1, 2009. We have encouraged employees to voluntarily furlough, as well as moved many employees from less critical roles to core responsibilities. The furloughs associated with labor agreements have certainly helped, but our own internal personnel actions, which have been largely invisible to those outside the Office, have proven even more effective. Specifically, the transfer of personnel from general fund positions to special funds and proprietaries are significantly reducing our deficit.

We note with enthusiasm the recent comments by you and other leaders regarding the need for immediate course correction, including that:

- The City's core mission and workforce should be redefined.
- Contracting out services should occur whenever economically feasible.
- General fund employees and expense should be shifted to special and proprietary funds whenever possible, to advance the mutual interests of the City and those entities.

We would add two additional important goals to the list of priorities:

- The City should aggressively invest staff and resources into activities that generate recovery of revenues owed to the City.
- The City should support activities that defend against financial loss due to claims, suits and lack of effective risk management.

These actions are precisely what this Office has been undertaking and accomplishing since my first day in office. Our success is impressive and objectively measurable.

You will note in my Office's budget proposal for 2010-11, that I intend to reshape the organization to emphasize our core missions of (1) public safety and (2) defending the City. This process is already well underway. Specifically, we have saved the annual cost of \$1,661,359 in transferring 13 attorneys from the general fund to new and existing vacant positions in the proprietary and special funds. An additional annual cost savings of \$2,185,903

Miguel A. Santana
City Administrative Officer
January 27, 2010
Page 3

will occur very soon when an additional 18 personnel are transferred from the general fund to proprietary and special funds.

We have achieved another significant cost savings by shifting work from outside counsel back into the City Attorney's Office. For example, we have expended **\$700,000** less this year than last year in outside counsel funding. This general fund cost savings provides the proprietaries with more opportunity to employ regular City Attorney employees to perform specialized case work at a more economical cost.

There is a myth in Los Angeles City government circles that it is more economical to assign attorney work and complex cases to outside counsel as opposed to assigning such work to regular City employees. I have done the math, and this assumption is hogwash invented by special interests. I have enclosed a current rate table as an attachment to this letter which compares fully-loaded City Attorney hourly costs, including retirement, with that of employees from all of the firms we currently engage as outside counsel. The highest paid City Attorney is less than the lowest paid outside lawyer. I invite you to share this comparison with the Mayor, City Council and Controller for feedback, or to verify our data. To date, I have saved the City **millions of dollars** in legal fees by redirecting such work back to the City Attorney's Office.

We have also increased our efforts to recover debt owed to the City. Since July 1, 2009, we have collected **\$1,626,538** in fees and taxes that were not anticipated in the general fund budget, as well as the payment of **\$4.8 million** in escrowed real estate funds to the City after winning a highly contentious trial. Based upon these successes, I am assigning two more personnel to this effort.

In the area of subrogation, we are on track to recover at least \$1 million more than was planned for 2009-10 in our Office's budget. I am therefore assigning one more person to assist in that effort.

Our 2010-11 budget request includes a proposal for greater concentration and consolidation of debt recovery activity within this Office. We believe that more timely access by this Office to the debt cases will generate greater success in collections. This is not intended to diminish the role of the Office of Finance. I believe, however, that we need a more strategic and comprehensive debt collection case management system.

Similarly, in the area of worker's compensation, this Office needs additional authority and responsibility to manage cases, whether the claimants are represented or not. The current case management model is not well-developed. By limiting our access to data, the effectiveness of the City Attorney is severely diminished in decision-making and timely advisement on case developments. The Controller's audit, which is currently underway in this Office, will confirm my assessment that change is seriously needed.

Miguel A. Santana
City Administrative Officer
January 27, 2010
Page 4

As noted previously, we defend the City in all civil matters. This year has been remarkably successful. We have won or obtained favorable verdicts in 20 out of 20 trial matters. The City was exposed to potential liability payouts of \$76.9 million, which have now been avoided. (The \$76.9 million figure is based upon the last pre-trial settlement amount offered by the plaintiffs. Obviously, had the City lost at trial, significantly larger damage awards could have been imposed against the City).

My staff and I are also actively engaged in developing new proposals for changing the way the City does business in the criminal justice arena, while generating new sources of revenue for the City. Specifically, we are currently drafting a proposal to establish an administrative penalty process for certain violations, including code enforcement matters.

A number of Southern California governments have switched their resolution emphasis on code enforcement and minor crimes from criminal prosecution to an administrative adjudication program. We believe the City could also greatly benefit from a change in methodology in the handling of such matters. In addition to capturing low-grade violations that might not otherwise be criminally prosecuted, it frees up ever scarce courts to handle more serious crimes and civil matters.

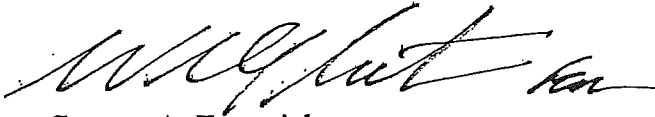
The administrative adjudication of tens of thousands of regulatory matters could generate a significant revenue stream, which would exceed operational costs for employees, and possibly private contractors, managing the program. My staff is currently working on a draft ordinance and procedural outline designed to implement such a City-wide program under the governance and direction of the City Attorney's Office.

In summary, I am again requesting that you not remove resources from this Office at a time when the City is in need of a fully-staffed and competent team of legal professionals tasked with defending the City from costly lawsuits, collecting hundred of millions of dollars owed to the City, and more importantly, protecting public safety by prosecuting crimes committed within the City. In the fight for the financial survival of the City, I request that you give me more work and responsibility in order to further and more aggressively pursue all available cost-saving and debt collection measures. Let us continue to demonstrate how this Office can lead and be successful.

Miguel A. Santana
City Administrative Officer
January 27, 2010
Page 5

Please let me know if I can provide any additional information. Thank you for your consideration of my request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carmen A. Trutanich', with a stylized flourish at the end.

Carmen A. Trutanich
Los Angeles City Attorney

Attachments

cc: Honorable Antonio Villaraigosa, Mayor
City of Los Angeles

Honorable Eric Garcetti, President,
Los Angeles City Council

**OFFICE OF THE CITY ATTORNEY
COST SAVINGS/COLLECTIONS
FY 2009/10 (as of 1/27/10)**

In an effort to assist in addressing the City's dire financial situation, this Office has been focused on protecting taxpayer dollars and generating much-needed revenue for the City. Our efforts to date have yielded impressive results:

- **Liability Payouts**

20 victories or favorable verdicts out of 20 trials = \$76.9 million saved.

Since July 1, 2009, this Office's Police Litigation Unit and Employment Litigation Unit have won or obtained complete defense verdicts or otherwise favorable verdicts in 20 out of 20 trial matters in which the City was potentially liable for over \$76.9 million in damages. (The \$76.9 million figure is based upon the last pre-trial settlement amount offered by the plaintiffs. Obviously, had the City lost at trial, significantly larger damage awards could have been imposed against the City).

This 100% victory record has freed up financial resources for critical services instead of lawsuits and damage payouts. Moreover, in a very recent trial victory, this Office recovered **\$4.8 million** that had been escrowed by the Superior Court in a land use case, and returned it to the City's General Fund.

By comparison, during the entire fiscal year 2008-09, this Office obtained 31 wins or favorable verdicts for the City in 36 civil liability trials, equating to an 88 percent rate of favorable outcomes.

- **Collections**

\$1,626,538 in unanticipated revenue collected in six months.

Attorneys and staff in this Office continue to assist the City in recovering and collecting the approximately \$200 million in funds currently owed to the City treasury, including business, parking and occupancy taxes. Since July 1, this Office has successfully recovered \$1,626,538 that had not been anticipated in the adopted budget. This collection amount is nearly 60% higher than the same six-month period in fiscal year 2008-09.

- **Outside Counsel**

\$700,000 saved through reduced legal fees.

This Office is focused on reversing the costly trend of using outside counsel. This will provide greater control over litigation strategies and outcome, develop in-house expertise in critical areas and reduce costs. Since July 1, fees for outside counsel have declined by over \$700,000, compared to the same six-month period in fiscal year 2008-09.

- **Subrogation**

The City Attorney has a one-person unit tasked with the recovery of subrogation from insured parties that have been harmed by the City. Since July 1, the unit has recovered \$740,829. The unit is expanding to include one additional employee in the near future. The projected recovery for 2009-10 is \$2,000,000, which is \$1,000,000 more than the current year's budget requires as a revenue component.

In addition to efforts to save/protect taxpayer dollars and enhance revenue, this Office has worked tirelessly to absorb prior year cuts, including an 18 percent cut for fiscal year 2009-10, and staffing shortages resulting from the Early Retirement Incentive Program (ERIP).

In-House
Attorneys/Staff

Revised 1-20-10

HOURLY RATES

POSITION	ANNUAL SALARY*	HOURLY SALARY RATE	INDIRECT RATE (80.88%)**	TOTAL HOURLY RATE
Assistant City Attorney	\$ 183,681.00	\$87.97	\$71.15	\$159.12
Deputy City Attorney IV	\$ 167,269.00	\$80.11	\$64.79	\$144.90
Deputy City Attorney III	\$ 145,930.00	\$69.89	\$56.53	\$126.42
Deputy City Attorney II	\$ 120,060.00	\$57.50	\$46.51	\$104.01
Deputy City Attorney I	\$ 94,857.00	\$45.43	\$36.74	\$82.17
Law Clerk	\$ 47,147.00	\$22.58	\$18.26	\$40.84
Paralegal II	\$ 82,058.00	\$39.30	\$31.79	\$71.09
Paralegal I	\$ 65,792.00	\$31.51	\$25.49	\$57.00
Legal Assistant	\$ 65,792.00	\$31.51	\$25.49	\$57.00
Legal Secretary II	\$ 62,598.00	\$29.98	\$24.25	\$54.23
Legal Clerk II	\$ 48,170.00	\$23.07	\$18.66	\$41.73

*Based on top step of each pay class
on July 2009 salary schedule

** Includes benefits, central services,
dept admin support, comp time off
(all at highest possible rate) per
Controller CAP rate memo dated 10-
13-09

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Liebert Cassidy & Whitmore	City Atty Administered	Batts v. COLA	Partners	\$250.00
			Of Counsel	\$220.00
			Associates	\$190.00
			Paralegal & law clerk	\$90.00
Ivie McNeill & Wyatt	City Atty Administered	Brenda Lee v. COLA	Sr. Partners (15 yr+)	\$250.00
			Jr. Partners (14-)	\$225.00
			Associates	\$200.00
			Law Clerks & Paralegals	\$110.00
<i>*Haight Brown & Bonesteel</i>		<i>subcontractor</i>	<i>Rita Gunasekaran - Partner</i>	<i>\$250.00</i>
			<i>J. Alan Warfield - Partner</i>	<i>\$225.00</i>
Stanzler Funderburk Castellon	Harbor	City v. Kinder Morgan	Senior Partner	\$270.00
			Partner	\$235.00
			Senior Associate	\$185.00
Hunt Ortmann	Harbor	City v. Westcon	Partner	\$265.00
			Associate	\$200.00
			Paralegal	\$125.00
Best & Flanagan LLP	LAFPP	Crescent Heights Acquisition Inc. et al v. Sentinel Real Estate	Partners	\$300.00
			Associates	\$200.00
			Paralegals	\$100.00
Akerman Senterfitt Wickwire Gavin LLP	PW	Dillingham-Ray Wilson et al v. COLA	Partner	\$325.00
			Associate	\$185.00
			Paralegal	\$130.00
Greines Martin Stein & Richland	PW	Dillingham-Ray Wilson et al v. COLA	Partner	\$400.00
			Peter Israel	\$350.00
			Law Clerks	\$100.00
			Paralegal	\$100.00
Cotchett, Pitre, Simon & McCarthy	DWP	DWP v Reliant Energy Services	Partner	\$525.00
			Partner	\$490.00
			Partner	\$490.00
			Partner	\$425.00
			Partner	\$400.00
			Partner	\$370.00
			Partner	\$370.00
			Partner	\$300.00
			Paralegal	\$125.00
			Counsel	\$450.00
			Senior Associates	\$250.00
			Associates	\$200.00
			Senior Paralegals	\$150.00
			Paralegals	\$125.00
All Clerks	\$75.00			
Bird Marella Boxer Wolpert Nessim Dooks & Lincenberg	City Atty Administered	Estate of Christopher Wallace v. COLA	Partners	\$390.00
			Associates	\$195.00
			Paralegals	\$115.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Liebert Cassidy & Whitmore	City Atty Administered	Gravina v. COLA	Partners	\$250.00
			Of Counsel	\$220.00
			Associates	\$190.00
			Paralegal & law clerk	\$90.00
Liebert Cassidy & Whitmore	City Atty Administered	Haro v. COLA	Partners	\$250.00
			Of Counsel	\$220.00
			Associates	\$190.00
			Paralegal & law clerk	\$90.00
Albright Yee & Schmit	City Atty Administered	Jarod Tomassi v. COLA	Partners	\$250.00
			Sr. Counsel/Of Counsel	\$250.00
			Associates	\$225.00
			Paralegals	\$95.00
			Clerks	\$50.00
Albright Yee & Schmit	City Atty Administered	Kerrin Tso v. COLA	Partners	\$250.00
			Of Counsel	\$250.00
			Associates	\$225.00
			Paralegals	\$95.00
			Clerks	\$50.00
Albright Yee & Schmit	City Atty Administered	LAPPL, et al (Nunez) v. COLA	Partners	\$250.00
			Associates	\$225.00
			Paralegals	\$95.00
Meyers Nave Riback Silver & Wilson PLC	City Atty Administered	Las Lomas Land Co LLC v. COLA	Principals & Partners	\$325.00
			Of Counsel	\$310.00
			Sr. Associates (10+)	\$285.00
			Jr. Associates (9-)	\$260.00
			Law Clerks & Paralegals	\$95.00
Liner Yankelevitz Sunshine & Regenstreif, LLP	DWP	Lucille Estes v. The City of Los Angeles	Partners	\$400.00
			Of Counsel	\$340.00
			Sr. Counsel	\$340.00
			Sr. Associate (6th yr or higher)	\$340.00
			Jr. Associate (5th yr or less)	\$275.00
			Law Clerk/Paralegal	\$95.00
Liebert Cassidy & Whitmore	City Atty Administered	Mata v. COLA	Partners	\$250.00
			Of Counsel	\$220.00
			Associates	\$190.00
			Paralegal & law clerk	\$90.00
Burke Williams & Sorensen LLP	City Atty Administered	Mitchell Grobeson v. COLA	Partners	\$250.00
			Associates	\$250.00
			Paralegals	\$85.00
Meyers Nave Riback Silver & Wilson PLC	City Atty Administered	Monterey Hills Investors v. COLA	Principals & Partners	\$325.00
			Of Counsel	\$310.00
			Sr. Associates (10+)	\$285.00
			Jr. Associates (9-)	\$260.00
			Law Clerks & Paralegals	\$95.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Eisenberhg Raizman Thurston & Wong LLP	City Atty Administered	Nicole Fahmie and Others, et al v. COLA	Partners	\$400.00
			Associates	\$275.00
			Associates	\$260.00
			Paralegals	\$110.00
Howrey, LLP	Harbor	U.S. ex rel. Moslerv. City	Partner	\$400.00
			Associates	\$400.00
			Paralegals	\$125.00
Mayer Brown	Harbor	U.S. ex rel. Moslerv. City	Partner	\$400.00
			Associate	\$400.00
			Paralegal	\$125.00
Liebert Cassidy & Whitmore	City Atty Administered	Vucinich/Maciel et al. v. COLA; Achan/Ackley et al. v. COLA	Partners	\$250.00
			Of Counsel	\$220.00
			Associates	\$190.00
			Paralegal & law clerk	\$90.00
Buchalter Nemer	Harbor	Bankruptcy	Partner	\$350.00
			Senior Counsel	\$315.00
			Associate	\$250.00
			Paralegal	\$125.00
Danning, Gill, Diamond & Kollitz, LLP	DWP	Bankruptcy Counsel	Senior Partner	\$350.00
			Junior Partner	\$325.00
			Associate	\$225.00
			Associate	\$225.00
			Associate	\$175.00
			Associate	\$175.00
			Associate	\$150.00
			Paralegals	\$80.00
Kaye Scholer	LAWA	Bankruptcy	Partner	\$495.00
			Of Counsel	\$395.00
			Associates	\$285.00
			Paralegals	\$90.00
			Clerks	\$90.00
Landaur & Berger, LLP	LAWA	Bankruptcy	Partner	\$360.00
			Of Counsel	\$360.00
			Associates	\$0.00
			Paralegals	\$120.00
			Clerks	\$0.00
Gibbs Oliphant	Harbor	Bond Counsel	Partner	\$250.00
			Paralegal	\$105.00
Gibbs & Oliphant, LLP	DWP	Bond Counsel	Senior Partner	\$250.00
			Partner	\$250.00
			Attorney	\$200.00
Nixon Peabody	Harbor	Bond Counsel	Partner	\$400.00
			Counsel	\$350.00
			Sr. Associates	\$350.00
			Associates	\$300.00
			Paralegal	\$125.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Nixon Peabody	Harbor	Bond Counsel	Partner	\$400.00
			Counsel	\$350.00
			Sr. Associates	\$350.00
			Associates	\$300.00
			Paralegal	\$125.00
Orrick, Herrington, Sutcliffe, LLP	DWP	Bond Counsel	Partner	\$400.00
			Partner	\$400.00
			Associate	\$400.00
			Associate	\$400.00
			Associate	\$400.00
			Associate	\$400.00
Quateman	Harbor	Bond Counsel	Partner	\$300.00
			Tax Counsel	\$300.00
			Of Counsel	\$265.00
			Associate	\$265.00
			Paralegal	\$105.00
Quateman, LLP	DWP	Bond Counsel	Partner	\$325.00
			Senior Counsel	\$325.00
			Special Tax Counsel	\$315.00
			Partner	\$315.00
			Of Counsel	\$275.00
			Associate (10 yr or more)	\$275.00
			Associate (9 yrs or less)	\$250.00
			Associate	\$250.00
			Associate	\$250.00
			Paralegal	\$105.00
			Paralegal	\$105.00
			Partner	\$325.00
			Associate (10 yr or more)	\$275.00
Associate (9 yrs or less)	\$250.00			
Paralegal	\$105.00			
Sidley Austin	Harbor	Bond Counsel	Partner	\$395.00
			Counsel	\$395.00
			Associate	\$395.00
			Paralegal	\$105.00
Robinson & Pearman, LLP	DWP	Bonds	Partner	\$250.00
<i>*Have not used firm</i>			Partner	\$250.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Nixon Peabody, LLP	DWP	CA Energy Crisis	Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Counsel	\$395.00
			Partner/Counsel	\$395.00
			Associate	\$325.00
			Associate	\$325.00
			Associate	\$325.00
			Associate	\$325.00
			Associate	\$250.00
			Associate	\$250.00
			Associate	\$225.00
			Paralegal	\$115.00
			Paralegal	\$115.00
			Paralegal	\$115.00
			Paralegal	\$115.00
			Paralegal	\$110.00
			Legal Assistant	\$110.00
			Legal Assistant	\$115.00
Miller & Van Eaton PLLC	ITA	Cable television franchise agreement	Partner	\$325.00
			Associate	\$185.00
			Paralegal	\$130.00
Kaye Scholer	Harbor	Clean Air Action Plan	Partner	\$495.00
			Partner	\$395.00
			Sr. Counsel	\$360.00
			Counsel	\$330.00
			Sr. Associate	\$295.00
			Associate	\$240.00
			Paralegal	\$90.00
Spillane Shaeffer Arnoff Bandl	Harbor	Clean Air Action Plan	Partner	\$375.00
			Associate	\$275.00
			Paralegal	\$90.00
Dykema Gossett, LLP	DWP	Complex Business Litigation	Partner	\$325.00
			Partner	\$325.00
			Partner	\$325.00
			Associate	\$220.00
			Paralegal	\$100.00
			All other partner	\$275.00
			Associate (6th yr and more)	\$265.00
			Associate (5th yr and lower)	\$220.00
			Paralegal/Law Clerk	\$100.00
			Legal Assistant	\$85.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Musick, Peeler & Garrett, LLP	DWP	Complex Business Litigation	Partner	\$325.00
			Partner	\$275.00
			Partner	\$275.00
			Partner	\$275.00
			Associate (10th yr or more)	\$240.00
			Associate (9th yr and less)	\$205.00
			Associate (4th yr and less)	\$175.00
			Paralegals/Law Clerk	\$100.00
			Legal Assistant	\$85.00
Jung & Yuen, LLP	LAWA	Condemnation/Real Property	Partner	\$200.00
			Of Counsel	\$180.00
			Associates	\$180.00
			Paralegals	\$100.00
			Clerks	\$100.00
Atkinson-Andelson, Loya, Rudd & Romo	LAWA	Construction Litigation	Partner	\$290.00
			Of Counsel	\$0.00
			Associates	\$200.00
			Paralegals	\$125.00
			Clerks	\$125.00
Hunt, Ortmann, Palffy, Nieves, Lubka, Darling & Mah, Inc.	LAWA	Construction Litigation	Partner	\$295.00
			Of Counsel	\$0.00
			Associates	\$0.00
			Paralegals	\$125.00
			Clerks	\$125.00
Best Best & Krieger	CRA	CRA Legal Pool	Partners	\$225.00
			Sr. Associates	\$200.00
			Jr. Associates	\$175.00
			Paralegals	\$120.00
Adorno Yoss Alvarado & Smith	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Sr. Associates	\$225.00
			Paralegals	\$90.00
Demetriou Del Guercio Springer & Francis LLP	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Jr. Partners	\$225.00
			Sr. Associates	\$195.00
			Jr. Associates	\$150.00
			Paralegals	\$125.00
			Jr. Paralegal or Law Clerk	\$90.00
Goldfarb & Lipman	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Jr. Partners	\$240.00
			Sr. Associates	\$175.00
				<i>thru</i> \$235.00
			Jr. Associates	\$150.00
				<i>thru</i> \$170.00
			Law Clerk	\$125.00
	<i>thru</i> \$135.00			

Active Outside Counsel Contracts

SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Kane Ballmer & Berkman	CRA	CRA Legal Pool	Sr. Partners	\$225.00
			Jr. Partners	\$225.00
			Sr. Associates	\$200.00
			Jr. Associates	\$180.00
			Paralegals	\$100.00
			Jr. Paralegal	\$80.00
Lewis Brisbois Bisgaard & Smith LLP	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Jr. Partners	\$200.00
			Sr. Associates	\$185.00
			Jr. Associates	\$165.00
			Paralegals	\$80.00
Meyers Nave Riback Silver & Wilson, PLC.	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Jr. Partners	\$250.00
			Sr. Associates	\$250.00
			Jr. Associates	\$250.00
			Law Clerks	\$90.00
			Paralegals	\$90.00
Opper & Varco LLP	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Sr. Associates	\$155.00
			Paralegals	\$95.00
Robinson & Pearman LLP	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Jr. Partners	\$250.00
			Sr. Associates	\$235.00
			Jr. Associates	\$235.00
			Law Clerks	\$95.00
			Paralegals	\$95.00
Smith & Rendon LLP	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Sr. Associates	\$175.00
			Paralegals	\$110.00
The Sohagi Law Group	CRA	CRA Legal Pool	Sr. Partners	\$250.00
			Jr. Partners (10+ yrs)	\$250.00
			Sr. Associates	\$225.00
			Jr. Associates (9- yrs)	\$225.00
			Law Clerk	\$150.00
			Paralegal	\$125.00
Eisenberg, Raizman, Thuston & Wong, LLP	DWP	Disability Discrimination Law	Partner	\$400.00
			Partner	\$400.00
			Partner	\$350.00
			Partner	\$340.00
			Associate	\$275.00
			Associate	\$260.00
			Associate	\$260.00
			Paralegal	\$110.00
			Legal Assistant	\$75.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Kutak Rock LLP	DWP	Disclosure Counsel	Partner	\$365.00
			Partner	\$365.00
			Associate	\$345.00
			Associate	\$345.00
			Paralegal/Law Clerk	\$95.00
			Legal Assistant	\$80.00
Orrick, Herrington, Sutcliffe, LLP	DWP	Disclosure Counsel	Partner	\$365.00
			Partner	\$365.00
			Associate	\$345.00
			Associate	\$345.00
			Associate	\$255.00
			Paralegals/Law Clerk	\$95.00
Frederick Merkin	DWP	Employment Law	Attorney	\$225.00
			Legal Assistant	\$80.00
Fulbright & Jaworski, LLP	DWP	Energy	Of Counsel	\$400.00
			Law Clerk	\$75.00
			Paralegal	\$75.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Van Ness, Feldman, P.C.	DWP	Energy/FERC	Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Partner	\$395.00
			Of Counsel	\$350.00
			Associate	\$276.00
			Associate	\$276.00
			Associate	\$265.00
			Associate	\$250.00
			Associate	\$250.00
			Associate	\$250.00
			Associate	\$235.00
			Associate	\$235.00
			Associate	\$221.00
			Associate	\$209.00
			Associate	\$205.00
			Associate	\$176.00
			Associate	\$176.00
			Attorney Associate	\$176.00
			Associate	\$169.00
			Attorney Associate	\$169.00
			Associate	\$169.00
			Public Policy Professional	\$150.00
Public Policy Professional	\$325.00			
Regulatory Specialist	\$175.00			
Associate	\$156.00			
Associate	\$156.00			
Associate	\$156.00			
Associate	\$156.00			
Policy Specialist	\$140.00			
Paralegal	\$110.00			
Paralegal	\$110.00			
Paralegal	\$110.00			
Paralegal	\$110.00			
Paralegal	\$110.00			
Paralegal	\$110.00			
Paralegal	\$110.00			

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Williams Mullen	DWP	Energy Law/Transactional	Sr. Partner	\$390.00
			Sr. Partner	\$390.00
			Sr. Partner	\$390.00
			Sr. Partner (20yr or more)	\$390.00
			Sr. Partner (20yr or more)	\$390.00
			Sr. Partner (20yr or more)	\$390.00
			Jr. Partner	\$300.00
			Jr. Partner	\$300.00
			Associate	\$280.00
			Associate	\$245.00
			Associate	\$245.00
			Associate	\$245.00
			Sr. Partner (20yr or more)	\$390.00
			Jr. Partner (19 yr or less)	\$300.00
				Sr. Associate (7 yr or more)
	Jr Associate (6 yr or less)	\$245.00		
	Law Clerk/Paralegal	\$100.00		
Sohagi Law Group	LAWA	Environmental/Land Use	Partner	\$350.00
			Of Counsel	\$350.00
			Associates	\$225.00
			Paralegals	\$175.00
			Clerks	\$125.00
Sohagi Law Group	LAWA	Environmental/Land Use	Partner	\$370.00
			Of Counsel	\$345.00
			Associates	\$270.00
			Paralegals	\$145.00
			Clerks	\$0.00
Meyers Nave Riback Silver Wil Harbor		Environmental Legal Services	Partner	\$360.00
			Of Counsel	\$340.00
			Associate	\$275.00
			Paralegal	\$80.00
The Sohagi Law Group	Harbor	Environmental Legal Services	Principal	\$325.00
			Of Counsel	\$325.00
			Associate	\$225.00
			Paralegals	\$90.00
			Clerks	\$90.00
Anderson Kreiger LLP	LAWA	Federal Regulatory Work	Partner	\$395.00
			Of Counsel	\$250.00
			Associates	\$250.00
			Paralegals	\$125.00
			Clerks	\$0.00
Kaye Scholer	LAWA	Federal Regulatory	Partner	\$395.00
			Of Counsel	\$360.00
			Associates	\$285.00
			Paralegals	\$85.00
			Clerks	\$85.00
Foster Pepper PLLC	LACERS	Fiduciary Counsel	Partner	\$320.00
			Of Counsel	\$320.00
			Associate	\$220.00
			Paralegal	\$110.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Klausner & Kaufman	LAFPP	Fiduciary Counsel	Partner	\$300.00
			Associate	\$200.00
			Paralegal	\$100.00
Klausner & Kaufman	LACERS	Fiduciary Counsel	Partner	\$300.00
			Associate	\$200.00
			Paralegal	\$100.00
Klausner & Kaufman	WPERP	Fiduciary Counsel	Partner	\$300.00
Morrison & Foerster LLP	LACERS	Fiduciary Counsel	Partner	\$495.00
			Associate	\$400.00
			Paralegal	\$245.00
Morrison & Foerster LLP	LAFPP	Fiduciary Counsel	Partner	\$495.00
			Associate	\$400.00
			Paralegal	\$245.00
Morrison & Foerster LLP	WPERP	Fiduciary Counsel	Partner	\$495.00
			Legal Assistants	\$245.00
Parker, Milliken, Clark, O'Hara & Samuelian	DWP	Groundwater Contamination Issues in San Fernando Basin and Related Matters	Partners	\$300.00
			Sr. Associate (8th yr or more)	\$255.00
			Jr. Associate (7th yr or less)	\$210.00
			Paralegal/Law Clerk	\$110.00
Greenberg Traurig, LLP	City Atty Administered	Intellectual Property & related matters	Attorney	\$300.00
			Patent Agent/Specialist	\$225.00
			Paralegal & law clerk	\$150.00
Liner Yankelevitz Sunshine & Regenstreif, LLP	DWP	Intellectual Property and Computer Software Matters	Partner	\$380.00
			Partner	\$380.00
			Senior Counsel	\$380.00
			Senior Counsel	\$380.00
			Associate	\$300.00
			Associate	\$300.00
			Associate	\$290.00
			Associate	\$275.00
			Associate	\$275.00
			Associate	\$220.00
			Paralegal	\$70.00
Paralegal	\$70.00			
Paralegal	\$70.00			

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Albright, Yee & Schmit, LLP	DWP	Labor and Employment	Partner	\$225.00
			Of Counsel	\$225.00
			Associate	\$225.00
			Paralegal	\$95.00
			Clerks	\$50.00
Ivie, McNeill & Wyatt	DWP	Labor and Employment	Sr. Partner (15th yr or more)	\$250.00
			Jr. Partner (14th yr or less)	\$225.00
			Associate	\$200.00
			Law Clerk/Paralegal	\$110.00
Lewis, Brisbois, Bisgaard & Smith	DWP	Labor and Employment	Sr. Partner	\$275.00
			Jr. Partner	\$250.00
			Associate	\$195.00
			Associate	\$195.00
			Legal Assistant	\$85.00
			Paralegal	\$70.00
Eisenberg, Raizman, Thurston & Wong LLP	LAWA	Litigation	Partner	\$400.00
			Of Counsel	\$0.00
			Associates	\$275.00
			Paralegals	\$110.00
			Clerks	\$0.00
John Werlich	LAWA	Litigation	Partner	\$0.00
			Of Counsel	\$150.00
			Associates	\$0.00
			Paralegals	\$0.00
			Clerks	\$0.00
Kutak Rock, LLP	DWP	Litigation & Transactional Matters in Arizona and Nevada	Partner	\$250.00
			Partner	\$245.00
			Partner	\$225.00
			Partner	\$225.00
			Partner	\$225.00
			Associate	\$165.00
			Associate	\$145.00
			Associate	\$145.00
			Associate	\$145.00
			Paralegal	\$95.00
			Paralegal	\$95.00
Paralegal	\$95.00			
Manning & Marder Kass Ellrod Ramirez LLP	City Atty Administered	May Day Cases	Partners	\$250.00
			Of Counsel	\$250.00
			Associates	\$200.00
			Paralegal & law clerk	\$80.00
Kutak Rock	LAWA	Municipal Financing	Partner	\$300.00
			Of Counsel	\$0.00
			Associates	\$225.00
			Paralegals	\$100.00
			Clerks	\$0.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Nixon Peabody	LAWA	Municipal Financing	Partner	\$395.00
			Of Counsel	\$340.00
			Associates	\$340.00
			Paralegals	\$125.00
			Clerks	\$0.00
Quateman LLP	LAWA	Municipal Financing	Partner	\$325.00
			Of Counsel	\$315.00
			Associates	\$275.00
			Paralegals	\$105.00
			Clerks	\$0.00
Guild, Russell Gallagher & Fuller, LTD	DWP	Nevada Counsel	Partner	\$250.00
			Partner	\$250.00
			Partner	\$220.00
			Associate	\$150.00
			Law Clerk/Paralegal	\$100.00
			Law Clerk/Paralegal	\$100.00
			Law Clerk/Paralegal	\$100.00
Seyfarth Shaw, LLP	DWP	Public sector joint labor-management training and safety trusts	Partner	\$365.00
			Sr. Associate (12 yr or higher)	\$345.00
			Associate (11yr lower)	\$295.00
			Paralegals/Law Clerk	\$110.00
			Legal Assistant	\$85.00
Adorno Yoss Alvarado Smith	Harbor	Real Estate Legal Services	Partner	\$285.00
			Associate	\$225.00
Meyers Nava Riback Silver Wil	Harbor	Real Estate Legal Services	Partner	\$250.00
			Legal Assistant	\$75.00
Foster Pepper PLLC	LAFPP	Real estate & Alternative Investment Counsel	Partner	\$320.00
			Of Counsel	\$320.00
			Associate	\$220.00
			Paralegal	\$110.00
Foster Pepper PLLC	WPERP	Real estate & Alternative Investment Counsel	Partner	\$320.00
			Associate	\$220.00
			Paralegal	\$110.00
Nossaman Guthner Knox & Elliott LLP	LACERS	Real estate & Alternative investment matter	Partner	\$333.00
			Associate	\$230.00
			Paralegal	\$115.00
Nossaman Guthner Knox & Elliott LLP	LAFPP	Real estate & Alternative investment matter	Partner	\$333.00
			Associate	\$230.00
			Paralegal	\$115.00
Nossaman Guthner Knox & Elliott LLP	WPERP	Real estate & Alternative investment matter	Partner	\$333.00
			Associate	\$230.00
			Paralegal	\$115.00

Active Outside Counsel Contracts
SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Meyers, Nave, Ribak, Silver & Wilson, APC	LAWA	Real Estate/Condemnation	Partner	\$295.00
			Of Counsel	\$250.00
			Associates	\$250.00
			Paralegals	\$95.00
			Clerks	\$0.00
Bingham McCutchen LLP	LAWA	Real Property (blended hourly rates)	Partner	\$400.00
			Of Counsel	\$0.00
			Associates	\$400.00
			Paralegals	\$190.00
			Clerks	\$90.00
Demetriou, Del Guercio, Springer & Francis, LLP	LAWA	Real Property	Partner	\$295.00
			Of Counsel	\$0.00
			Associates	\$185.00
			Paralegals	\$110.00
			Clerks	\$110.00
Liner, Yankelevitz, Sunshine & Regenstreif, LLP	LAWA	Real Property	Partner	\$395.00
			Of Counsel	\$345.00
			Associates	\$280.00
			Paralegals	\$0.00
			Clerks	\$0.00
Ice Miller LLP	LAFPP	Tax Law	Partners	\$403.50
			Actuaries	\$335.75
			Of Counsel, Associates	\$259.25
			Paralegals	\$191.25
Ice Miller LLP	WPERP	Tax Law	Partners	\$403.50
			Actuaries	\$335.75
			Of Counsel, Associates	\$259.25
			Paralegals	\$191.25
Ice Miller LLP	LACERS	Tax Law	Partners	\$403.50
			Actuaries	\$335.75
			Of Counsel, Associates	\$259.25
			Paralegals	\$191.25
Colantuono & Levin P. C.	City Atty Administered	(Tax matters) AB Cellular LA, LLC et al v. COLA	Shareholders	\$265.00
			Contract Attorney	\$225.00
			Senior Counsel	\$225.00
			Associates	\$210.00
			Paralegals	\$125.00
			Legal Assistant	\$110.00
Orrick Herrington & Sutcliffe LLP	City Atty Administered	Telephone Users Tax	Partners, Of Counsel & Associates	\$400.00
			Paralegals	\$95.00
			Partner & Associate blended rate of 385	\$385.00
Bingham McCutchen, LLP	DWP	Transactional Energy Law	Legal Assistant	\$110.00

Active Outside Counsel Contracts
 SCHEDULE OF HOURLY RATES

FIRM	DEPT	MATTER	POSITION	RATE
Ellison, Schneider & Harris, LLP	DWP	Transactional Energy Law	Partner	\$335.00
			Partner	\$335.00
			Sr. Associate	\$275.00
			Sr. Associate	\$275.00
			Sr. Associate	\$275.00
			Jr. Associate	\$175.00
			Legal Assistant	\$115.00
			Paralegal	\$115.00
			Partner	\$335.00
			Sr. Associate (5th yr or more)	\$275.00
			Jr. Associate (4th yr or less)	\$200.00
Paralegals/Assistants	\$115.00			
Kronick, Moskovitz, Tiedemann & Girard, P.C.	DWP	Water Law/Natural	Partner	\$250.00
			Partner	\$250.00
			Partner	\$250.00
			Partner	\$250.00
			Partner	\$250.00
			Associate	\$200.00
			Associate	\$200.00
			Associate	\$200.00
			Associate	\$200.00
			Associate	\$190.00
			Associate	\$180.00
			Paralegal	\$110.00
			Paralegal	\$110.00
			Document Clerk	\$75.00
			Document Clerk	\$75.00
Partners	\$250.00			
Associates	\$170-200			
Paralegals	\$110.00			
Clerks	\$75.00			
Iverson, Yoakum, Papiano & Hatch	LAWA	Water Rights	Partner	\$250.00
			Of Counsel	\$0.00
			Associates	\$0.00
			Paralegals	\$0.00
			Clerks	\$0.00

**OFFICE OF THE CITY ATTORNEY
BUDGET 2009-10**

**REQUESTED REVISIONS TO THE MID-YEAR FINANCIAL
STATUS REPORT 2/2/2010**

Due to time lags, inherent to the financial reporting process, the CAO's most recent FSR does not accurately represent the status of the budget for this Office.

We share a desire to report accurately on the City's financial situation, ensuring that deficits are not overstated and services for our residents are not unnecessarily eliminated.

By updating data in four specific areas, we will provide the Council and Mayor with the most up-to-date and useful information available:

I. Voluntary furloughs have yielded more savings than reflected in the FSR

A by-product of mandatory furloughs has been an increase in the number of voluntary furlough hours being taken by attorneys and staff in this Office. These voluntary furloughs have reduced our General Fund salary expenditures and the Office's deficit in this area beyond what was captured in the FSR.

Savings not accounted for in FSR: \$138,000

II. Transfer of employees to special funded positions has resulted in savings to our General Fund salary account that are not reflected in the FSR

Over the past 3 months, we have worked to transfer a significant number of employees from General Funded positions to those funded by the Proprietary Departments and other Special Funds. By doing so, we have substantially reduced salary costs to the General Fund. We plan to transfer additional staff over the coming month to further reducing our General Fund salary shortfall. None of these savings are accounted for in the FSR.

Savings not accounted for in FSR = \$1.3 million

III. Outside Counsel savings has not been recognized in the FSR

The 2009-10 Adopted Budget included \$3.75 million in the Unappropriated Balance (UB) for outside counsel (including workers' compensation). Only \$3.25 million of that amount will be required this fiscal year, resulting in a savings of \$500,000. This savings is not reflected in the FSR. In fact, a deficit is inaccurately projected for this account.

Savings not accounted for in FSR = \$500,000

IV. Revenue to offset Litigation Expense shortfall has not been recognized in the FSR

While the Litigation Expense account is traditionally underfunded, as in years past, this office plans to offset a substantial amount of the shortfall with new revenue available to this office as a result of successful litigation efforts. We anticipate that sufficient revenue will be generated to cover the \$2 million shortfall previously reported for this account

Savings not accounted for in FSR = \$2 million

These savings reduce the \$8.6 million shortfall reported in the FSR by nearly 50 percent (\$3.9 million).

We appreciate the opportunity to work with you to ensure we are providing the most current information available. Accurate financial data saves essential services for our residents and jobs for our employees.

**FSR Attachment 1, Status of the City Budget
City Attorney, REVISED**

	Mid-Year Financial Status Report		
	Changes	Updated Amounts	Revised
CITY ATTORNEY			
1010 Salaries General	(4,882,700)	(6,423,000)	(4,529,766)
1020 Salaries Grant Reimbursed	172,000	265,500	283,539
1080 Salaries Proprietary	718,400	408,200	-
2060 Bar Dues	-	-	214,165
4200 Litigation Expense	(2,750,000)	(2,750,000)	-
9302 Outside Counsel	(100,000)	(100,000)	500,000
	<u>(6,842,300)</u>	<u>(8,599,300)</u>	<u>(3,532,062)</u>

Bar Dues - deferred until FY 2010-2011 per Coalition agreement

Litigation Expenses - Funding setaside for this account will be transferred from the Unappropriated Balance.

Outside Counsel - a surplus of \$500,000 will remain in the Unappropriated Balance.

CITY ATTORNEY 2009/10 BUDGET BALANCING PLAN

Beginning Deficit	\$15,417,245
Mitigating Actions	
• Outside Counsel Savings (Employment Law)	\$ 500,000
• Value of Transfers to Special Funds & Proprietaries	\$ 1,315,069
• ERIP Participation	\$ 3,061,417
• Voluntary Furloughs	\$ 138,610
• M.O.U. Furloughs (Coalition)	\$ 2,403,875
• Imposed Furloughs (EAA)	\$ 1,526,718
• Deferred COLA's	\$ 2,802,617
	<hr/>
Value of Solutions in Place	\$11,748,306
Remaining Deficit	\$ 3,668,939

**CITY ATTORNEY'S OFFICE
ADDITIONAL COST SAVING MEASURES AND REVENUE GENERATION IDEAS BEING ACTIVATED FY 2009-10**

- E-Subpoena Program in collaboration with LAPD – Annual Savings of \$887,400 in police overtime
- Increased subrogation caseload to recover property damage losses from private insurance carriers: \$1,000,000 annually
- Administrative Adjudication of infractions, City ordinance violations, and code enforcement citations: Unknown amount – program being evaluated – would shift fines from State to City of Los Angeles
- Environmental and Consumer protection settlements: \$2,000,000 pending
- Greater success in recovery of collections for taxes owed to City: \$1,626,538 year-to-date
- Liability Payouts avoided 2009/10, due to success in Civil Case Trials: \$76.9 million, year-to-date
- Recovery of Escrowed Grant Funds after successful court case: \$4.8 million
- Destruction of outdated records in storage at contract facility, reduced storage cost: \$70,000
- CNAP Civil Settlements/Collection of Judgments 2009-10: \$260,104 year-to-date
- Funding of Prosecutors by additional special fund partners: (Business Improvement District; County Health Department offset of City prosecutions of Health Code Violations)
- “Second Response Fee” for municipal code violations concerning second police response to loud party calls
- Evaluation of nuisance abatement lien foreclosures on properties chronically involved in nuisance actions