

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

Your

**BUDGET AND FINANCE COMMITTEE**

**reports as follows:**

BUDGET AND FINANCE COMMITTEE REPORT relative to the Accounts Receivable Citywide Improvement Initiatives Report for the 4<sup>th</sup> Quarter Fiscal Year (FY) 2010-11.

Recommendations for Council action:

1. NOTE and FILE the Accounts Receivable Citywide Improvement Initiatives Report for the 4<sup>th</sup> Quarter FY 2010-11 transmitted by the Office of Finance (Finance) on August 8, 2011.
2. INSTRUCT Finance to process the four Request for Proposals (RFPs) related to specific efforts to collect sales, business, hotel and utility taxes as quickly as possible and ensure that no lapses occur between contracts in the future.
3. INSTRUCT City Administrative Officer (CAO) and Finance to work with the Los Angeles Convention Center, the Los Angeles Fire Department, and Los Angeles Department of Transportation to resolve any conflicts with confidentiality and privacy issues in order to include these departments in the Financial Management System Phase 2 implementation.
4. INSTRUCT CAO to work with Finance and City Attorney to resolve all conflicts with the pending RFP for the sale of uncollectible accounts receivable, including the use of a broker for evaluation and sale of debt, in order to move forward in an expedited manner.
5. INSTRUCT Finance to work with the Mayor's Office to ensure that all General Managers are in full compliance with Executive Directives 5 and 9.
6. INSTRUCT CAO, Chief Legislative Analyst (CLA), and Finance to work with City Attorney to prioritize all ordinances and conclude all review and advice as quickly as possible in order to continue moving forward in an expedited manner.

Fiscal Impact Statement: None submitted by Finance. Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

**SUMMARY**

On August 15, 2011, the Budget and Finance Committee considered the Accounts Receivable Citywide Improvement Initiatives Report for the 4<sup>th</sup> Quarter FY 2010-11 transmitted by Finance on August 8, 2011. Finance is continuing to report quarterly on progress toward implementing the various recommendations and ultimately improving collection of monies due the City. This is the second Accounts Receivable Citywide Improvement Initiative update for the 4<sup>th</sup> Quarter of FY 2010-11. The accounts receivable related directives of the City Controller, Macias Study, Commission on Revenue Efficiency (CORE) and City Council are each represented via initiatives Finance is

proposing and undertaking as detailed in Exhibit i of the Finance report attached to the Council file. Exhibit ii of the report provides department responses to Finance on the various department specific directives.

During Committee consideration, a representative of Finance provided an overview of the report and responded to related questions from Committee members. After further consideration and having provided an opportunity for public comment, the Committee recommended that Council note and file the Finance report and approve the additional instructions detailed in recommendation numbers two through six above. This matter is now forwarded for Council consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

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

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**Not Official Until Council Acts**