

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

JUNE LAGMAY
City Clerk

HOLLY L. WOLCOTT
Executive Officer

Office of the
CITY CLERK

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November 4, 2010

To All Interested Parties:

City Attorney (w/ blue slip)

The City Council adopted the action(s), as attached, under Council file
No. 10-0600-S48, at its meeting held October 20, 2010.


City Clerk
VCW

Mayor's Time Stamp
OFFICE OF THE MAYOR
RECEIVED
2010 OCT 25 PM 2:16
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2010 OCT 25 PM 2:16
CITY CLERK
BY _____ DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 10-0600-S48

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE OCTOBER 20, 2010

RE: THE FIRST FINANCIAL STATUS REPORT FOR FISCAL YEAR 2010-11

LAST DAY FOR MAYOR TO ACT NOV 04 2010
(10 Day Charter requirement as per Charter Section 341)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

*DISAPPROVED

*Transmit objections in writing
pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL NOV 03 2010



MAYOR

RECEIVED
CITY CLERK'S OFFICE
2010 NOV -4 AM 8:46
CITY CLERK
BY _____ DEPUTY

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

Your **BUDGET AND FINANCE Committee**

reports as follows:

BUDGET AND FINANCE (BF) COMMITTEE REPORT relative to the First Financial Status Report for Fiscal Year (FY) 2010-11.

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

1. APPROVE the recommendations of the City Administrative Officer (CAO) contained in the First Financial Status Report, dated October 15, 2010, attached to the Committee report.
2. INSTRUCT the Chief Legislative Analyst (CLA), on behalf of the BF Committee, to send a letter to all department heads with a reminder to implement the budget as adopted unless a department has received the appropriate approvals, as advised by the City Attorney, from the Council and Mayor.
3. AMEND CAO recommendation number 29 to DIRECT the Office of the City Attorney, Department of General Services (GSD), Fire Department, Information Technology Agency, Police Department and Department of Transportation to develop an operational plan to address their department deficits, excluding the portion of the deficit attributed to reduced EAA furlough savings, and provide a report on the plan to the CAO in 15 days in order for the CAO to report back to the BF Committee in 30 days.
4. AMEND CAO recommendation number 28 to TRANSFER \$151,483 in Personal Services Contract savings to the Service Reduction Mitigation Account in the Unappropriated Balance, as specified in Attachment 11 REVISED, in accordance with the City 2010-11 Budget Resolution (C.F. No. 10-0600).
5. INSTRUCT the CAO to reevaluate the need and timeline for GSD to purchase 48 vehicles through the MICLA Fleet Replacement Program for \$12.23 million.
6. INSTRUCT the Library and Department of Recreation and Parks to report back on an expanded volunteer program.
7. INSTRUCT the CAO to evaluate the costs of the Los Angeles Police Department's November class for new Police Officers.
8. INSTRUCT the Zoo Department to report back on the feasibility of charging for parking at the Los Angeles Zoo.
9. INSTRUCT the CAO and CLA to work with the Los Angeles Department of Water and Power (LADWP) on the renewal of LADWP's medical plans.
10. INSTRUCT the CAO to include an update on all components of the Reserve Fund in future reports.

Fiscal Impact Statement: The CAO reports that based on preliminary estimates, departments are projecting a combined General Fund deficit of \$63.7 million, attributable to civilian and sworn salary accounts and expense accounts in the respective amounts of \$38.3 million, \$15.1 million and \$10.3 million. No adjustment to budgeted revenue, including revenue from the P3 concession agreement, is recommended at this time. Transfers, appropriations and other adjustments totaling approximately \$37.9 million are recommended in Sections 1 and 2 of the CAO report.

Community Impact Statement: None submitted.

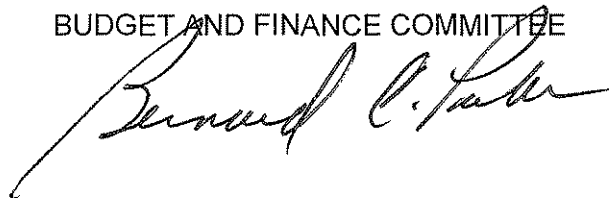
SUMMARY

At its meeting of October 18, 2010, the Budget and Finance Committee considered the CAO's First Financial Status Report (FSR) for FY 2010-11. The First FSR provides a summary of the close-out of the fiscal year 2009-10 budget and an update on the current-year budget-including the projected departmental deficits, early trends in revenues, the Reserve Fund, four-year outlook, and current issues of concern and their potential impact to the City. Recommendations totaling \$37.9 million for appropriations, transfers and other budgetary adjustments are included in the report.

Representatives of the CAO presented an overview of the FSR report and provided detailed recommendations for each department to the BF Committee. Departmental representatives added clarification and responded to related questions from Committee members. After an opportunity for public comment, the Committee recommended approval of the CAO recommendations contained in the First Financial Status Report for FY 2010-11 and recommended amendments and additional instructions as reflected above. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE



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

ep
10-0600-S48_rpt_bfc_10-19-10

Attachment

ADOPTED
has amended
OCT 20 2010
see attached motion
LOS ANGELES CITY COUNCIL

-NOT OFFICIAL UNTIL COUNCIL ACTS-

VERBAL MOTION

I HEREBY MOVE that Council AMEND the recommendations of the Budget and Finance Committee, relative to the First Financial Status Report for Fiscal Year 2010-11, as follows:

1. INSTRUCT the City Administrative Officer (CAO), relative to Recommendation Nos. 5 and 7 of the Budget and Finance Committee report, to report back to the Budget and Finance Committee at/by its regularly scheduled meeting on Monday, October 25, 2010.
2. INSTRUCT the CAO to report to Council relative to:
 - a. The amount of savings the City received by/from laying off 374 employees versus 350.
 - b. A cost benefit analysis of/for future layoffs.
 - c. The status of the layoff program relative to cost savings.
 - d. Where the layoffs are occurring.

PRESENTED BY _____
BERNARD PARKS
Councilmember, 8th District

SECONDED BY _____
RICHARD ALARCON
Councilmember, 7th District

ADOPTED

October 20, 2010
CF 10-0600-S48

OCT 20 2010
LOS ANGELES CITY COUNCIL