

REPORT FROM

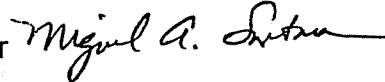
OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: December 3, 2010

CAO File No. 0590-00098-3979
Council File No. 10-0600
Council District: All

To: Antonio R. Villaraigosa, Mayor
Eric Garcetti, Council President
Bernard C. Parks, Chair, Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Reference: 2010-11 Budget

Subject: **2010-11 Operational Plan**

SUMMARY

The Office of the City Administrative Officer (CAO) identified an estimated \$63.73 million in various departmental deficits in its First Financial Status Report (FSR) for 2010-11, primarily due to the one-time anticipated Early Retirement Incentive Program (ERIP) retiree benefit payouts, elimination or reduction of furlough days for Engineers and Architect Association (EAA) and other employees, other salary and expense costs, and Police and Fire sworn overtime expenses. In adopting the recommendations within the First FSR, the Mayor and Council directed departments to develop and submit operational plans that would address and mitigate their identified deficits.

The Operational Plan (Attachment 1) details current departmental deficits as well as the proposed solutions to reduce or eliminate their deficits. This plan excludes departments that either did not report a deficit in the First FSR or that can otherwise absorb any shortfalls within their budgets and without any extraordinary service reductions or transfers of funds.

As shown in the Operational Plan the current departmental deficits have increased to \$87.84 million. Should all of the recommendations presented in this report plan be adopted and implemented, the projected deficit for 2010-11 will be eliminated.

It should be noted, that both the deficits and the savings identified in the plan are projections based on current data and trends. As the year progresses and additional information becomes available, this plan will require adjustments. Other levels of uncertainty related to labor negotiations may also necessitate adjustments. For example, if the agreed upon savings target between the City and the Police Protective League for 2010-11 is achieved, a payment of \$9.5 million for a deferred uniform allowance for police sworn employees will need to be made. Finally, the plan does not assume any other potential revenue shortfalls that may occur due to economic conditions or as a result of delays to the Public Private Partnership (P3) concession agreement for the City's parking garages. In the event that the revenue outlook for the current fiscal year is adjusted downward due to these or other concerns, additional solutions will need to be identified to address these changes beyond those

presented in the plan. Both of these issues will be addressed in the Mid-Year FSR expected to be released in February 2011.

DEFICIT ADJUSTMENTS

The First FSR noted that the \$63.73 million projected gap was based on department expenditures through August and may likely be revised. As noted above, the Operational Plan now estimates a total deficit of \$87.84 million before the application of any of the proposed solutions. The following actions are driving the increased deficit: over expenditures in the Fire Department primarily related to the seven-week suspension of the Modified Coverage Plan from October through mid-November; the required payment of unbudgeted excess sick-time for sworn staff in the Police Department; the estimated increase in reimbursable police sworn overtime; the anticipated revenue shortfall for the Planning Department; and several unfunded Library salary liabilities that were not reported in the First FSR. Over-expenditures and adjusted savings targets in a number of other departments are also contributing to the additional \$24.11 million deficit.

Table 1 below compares the First FSR and Operational Plan deficit:

Table 1: 2010-11 Operational Plan Deficit Summary	Amount (in millions)
First FSR Deficit	\$63.73
Additional Fire Deficit	7.40
Additional Police Deficit	11.00
Additional Net Deficit in all Other Departments	5.71
Subtotal Operational Plan Deficit	\$87.84

PROPOSED OPERATIONAL PLAN SOLUTIONS

With the exception of the Fire and Police Departments, departments are able to address their shortfall with minimal impact on current service levels and no layoffs. This achievement is in large part due to the anticipated transfer of funds from the UB Budget Balancing Bridge and ERIP accounts to offset the reduced furlough savings for EAA-represented employees. Other solutions include targeted salary savings from maintaining vacancies; additional revenue beyond what has been budgeted; reimbursements from grant or special funds; reductions in expense accounts or surplus transfers from other funds.

The reduced furlough savings for EAA-represented employees is related to the reduction of furlough days for EAA-represented employees as agreed upon by the City. This Office expects the ongoing concessions gained by the City as part of this agreement to offset these one-time costs. However, the savings from these concessions will not be immediately generated. Therefore, the global solution of using UB funds to address these one-time costs has been applied in the cases where departments are unable to absorb them through any other means.

Table 2 below summarizes the savings or revenues being proposed within each of the operational plan categories:

Table 2: 2010-11 Operational Plan Proposed Solutions	Amount (in millions)
Transfer from UB for EAA Furlough Days	\$(9.61)
Attrition	(4.31)
Targeted Curtailments	(12.55)
Revenue	(4.20)
Increased Sources of Funds	(24.09)
Other Changes or Adjustments	(13.49)
Proposed Operational Plan Solutions	(68.25)

In the case of the Fire Department, while there is no proposal to layoff sworn or civilian employees, the Operational Plan calls for the full implementation of the Fire Department's adopted budget which assumed a reduction in constant staffing overtime. This will be achieved through the redeployment of certain resources including Emergency Medical Services Captains, staff assistants, and partial redeployment of Hazardous-Materials Squad personnel to backfill field vacancies.

For the Police Department, the transfer of funds from the UB to offset the reduced furlough savings for EAA-represented employees and the additional revenue and reimbursements is insufficient to fully address the projected deficit for the department. As such, the department proposed about 450 civilian position eliminations to address their deficit. The proposed solution in the Operational Plan calls for the reduction of half of the civilian positions (225) presented by the Police Department to achieve savings of approximately \$3 million. At this time, the Police Department has yet to identify the units that would be impacted by their proposed staff reductions. Therefore, the service impacts of this proposal are unknown.

Clearly, the Operational Plan solutions alone are insufficient to address the larger deficit that has been created. As demonstrated in Table 3, applying the entirety of the solutions proposed in the Operational Plan to the revised deficit still leaves a shortfall of \$19.59 million.

Table 3: 2010-11 Operational Plan Summary	Amount (in millions)
Subtotal Operational Plan Deficit	\$87.84
Proposed Operational Plan Solutions	(68.25)
Remaining Budget Gap	\$19.59

Despite the remaining budget shortfall, this Office recommends that the proposed solutions in the Operational Plan be approved. Furthermore, this Office recommends that the remaining budget gap of \$19.59 million be addressed through the additional transfer of funds from the UB as shown in Table 4. The use of the UB for this purpose is consistent with the original intent of the Council and Mayor in adopting the budget as these funds were set-aside specifically to make departments whole for unbudgeted but required payouts and to mitigate unanticipated budget impacts.

Table 4: 2010-11 Potential Budget Solutions	Amount (in millions)
UB ERIP Account	\$(18.40)
Other UB Accounts	(1.19)
Total	\$(19.59)

Additional details and specific Controller and other technical instructions necessary to implement the majority of the Operational Plan solutions will be presented in subsequent FSRs for Mayor and Council approval. This process will allow for adjustments to be made based on revised departmental projections. In addition, the CAO will monitor vacancies, actual and expected attrition, that are being counted upon to achieve various departments' salary savings throughout the fiscal year. To the extent these savings are not realized, departments will be asked to cover their shortfalls through other actions which may include layoffs.

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Approve the service level and reduction of employees as identified in the Operational Plan (Attachment 1);
2. Instruct the CAO to include Controller and other technical instructions necessary to implement the Operational Plan in future Financial Status Reports including the transfer of \$9.61 million from the UB to address the reduction of furlough days for EAA-represented employees;
3. Instruct the CAO to account for up to \$19.59 million in additional potential transfers from the UB to address the remaining budget gap with said transfers to occur in future Financial Status Reports.

FISCAL IMPACT STATEMENT

Adoption of the above recommendations will eliminate the estimated departmental deficits of \$87.84 million for 2010-11. The solutions identified in the Operational Plan total \$68.25 million which will partially offset the potential \$87.84 million in expenditure deficit, reducing the remaining deficit to approximately \$19.59 million after counting identified savings and reductions, and additional revenue. Subsequent transfers of funds from the UB of \$19.50 million will eliminate this remaining gap.

MAS:BC:ECL:01110030c

Attachment

**ATTACHMENT 1
Animal Services**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
1. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 32,691	-	\$ 32,691	-
2. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 169,000	-	\$ 169,000	-
3. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 25,000	-	\$ 25,000	-
4. Other Salary Liability Reflect other salary deficit for the Department: Night Bonus, Uniform Allowance, and Boot Allowance (\$300,000).	\$ 300,000	-	\$ 300,000	-
Increased Sources of Funds				
5. Other Salaries Reflect increased sources of funds from anticipated salary reimbursements from Proposition F bond fund and other special funds.	\$ (439,464)	-	\$ (439,464)	-
Other Changes or Adjustments				
6. Reductions in Expense Account The Department will reduce current year expenditures by \$5,000 in their Uniforms Account, by \$20,000 in their Animal Feed and Grain Account, by \$10,000 in their Office and Administrative Expense Account, and by \$52,227 in their Operating Expense Account to partially offset the Department's deficit.	\$ (87,227)	-	\$ (87,227)	-
TOTAL ANIMAL SERVICES	\$ -	-	\$ -	-
<hr/>				
Total Unfunded Liabilities	\$ 526,691	-	\$ 526,691	-
Operational Plan Solutions	(526,691)	-	(526,691)	-
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-

**ATTACHMENT 1
City Attorney**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
7. Change in EAA Furlough Days Liability	\$ 713,264	-	\$ 713,264	-
Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.				
8. ERIP Payout Liability	\$ 1,388,176	-	\$ 1,388,176	-
Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.				
9. Deferred Excess Sick-Leave Payout Liability	\$ 293,353	-	\$ 293,353	-
Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.				
10. Other Salary Liability	\$ 5,251,308	-	\$ 5,251,308	-
Reflect salaries general account deficit for the Department due to current sick leave payouts, and furlough exemptions, as well as the current employment level.				
11. Expense Liability	\$ 1,348,150	-	\$ 1,348,150	-
Reflect expense liability for the Department due to Account 2010, attorney bar dues owed (\$148,150) and Account 4200, litigation expenses (\$1.2 million) estimated by year-end.				
12. Other Liability	\$ 1,770,372	-	\$ 1,770,372	-
Reflect salary account deficit for the Proprietary departments due to the absorption of payment for ERIP payout (\$420,412), Deferred Sick Leave payout (\$59,882), estimated sick leave payout (\$72,009) and general fund staff which have transferred to proprietary assignments (\$1,290,078).				
Global Solutions				
13. Transfer from UB for Change in EAA Furlough Days	\$ (713,264)	-	\$ (713,264)	-
It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.				
Attrition				
14. Expected Voluntary Employee Separations	\$ (1,074,584)	-	\$ (1,074,584)	(28)
The Department anticipates various voluntary employee separations through the end of the fiscal year resulting in salary savings to offset the unfunded liabilities. Actual separations will be monitored by the CAO throughout the fiscal year and reported to Mayor and Council.				
Increased Sources of Funds				
15. Increased Source of Funds	\$ (1,054,198)	-	\$ (1,054,198)	-
The Department anticipates new funds from various grants and reimbursements from special funds will be received by year-end to offset the deficit.				

**ATTACHMENT 1
City Attorney**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Increased Sources of Funds				
16. ACE Program	\$ (25,000)	-	\$ (25,000)	-
The Department estimates salary reimbursement will be available to offset the deficit for administrative work completed relative to the City Attorney's Administrative Citation Enforcement (ACE) program. The City Attorney anticipates implementation during the fourth quarter of the 2010-11 fiscal year due to citywide fiscal and operational challenges. A draft ordinance has been prepared and is pending CAO review and analysis.				
17. Consumer Protection Trust Fund	\$ (4,279,055)	-	\$ (4,279,055)	-
The Department estimates that revenue from consumer protection cases prosecuted under Section 17200 of the California Business and Professions Code will be available to offset the salaries general shortfall for salary costs associated with these types of litigation. These special funds are only available as funds are received and usage is restricted to the enforcement of consumer protection laws.				
Other Changes or Adjustments				
18. Potential Grant surplus	\$ (500,000)	-	\$ (500,000)	-
The Department estimates up to \$500,000 may be eligible at year end from grant surpluses to offset the salaries general deficit. The salaries grant account is front funded at the beginning of the fiscal year for regular positions and is reimbursed through salary appropriations throughout the year as grants are awarded to the City.				
TOTAL CITY ATTORNEY	\$ 3,118,522	-	\$ 3,118,522	(28)
Total Unfunded Liabilities				
	\$ 10,764,623	-	\$ 10,764,623	-
Operational Plan Solutions	(7,646,101)	-	(7,646,101)	(28)
2010-11 ADJUSTED BUDGET STATUS	\$ 3,118,522	-	\$ 3,118,522	(28)

**ATTACHMENT 1
City Clerk**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
19. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 146,034	-	\$ 146,034	-
Global Solutions				
20. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (146,034)	-	\$ (146,034)	-
TOTAL CITY CLERK	\$ -	-	\$ -	-
<hr/>				
Total Unfunded Liabilities	\$ 146,034	-	\$ 146,034	-
Operational Plan Solutions	(146,034)	-	(146,034)	-
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-

ATTACHMENT 1

Controller

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
21. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 414,300	-	\$ 414,300	-
22. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 19,422	-	\$ 19,422	-
Global Solutions				
23. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (414,300)	-	\$ (414,300)	-
TOTAL CONTROLLER	\$ 19,422	-	\$ 19,422	-
Total Unfunded Liabilities	\$ 433,722	-	\$ 433,722	-
Operational Plan Solutions	(414,300)	-	(414,300)	-
2010-11 ADJUSTED BUDGET STATUS	\$ 19,422	-	\$ 19,422	-

**ATTACHMENT 1
Cultural Affairs**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
24. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 139,000	-	\$ 139,000	-
25. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 4,752	-	\$ 4,752	-
26. Other Salary Liability Reflect salary account obligations due to the sick time payouts, an arbitration settlement and the backfill of two critical accountant positions.	\$ 98,598	-	\$ 98,598	-
Global Solutions				
27. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (139,000)	-	\$ (139,000)	-
Increased Sources of Funds				
28. Public Art Transfers Appropriate reimbursements from various bond funded programs, including Proposition F, Proposition Q and Proposition DD, for completed Public Art projects to partially offset the Department's Salaries General deficit.	\$ (103,350)	-	\$ (103,350)	-
TOTAL CULTURAL AFFAIRS	\$ -	-	\$ -	-
<hr/> <hr/>				
Total Unfunded Liabilities	\$ 242,350	-	\$ 242,350	-
Operational Plan Solutions	(242,350)	-	(242,350)	-
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-

ATTACHMENT 1
El Pueblo de Los Angeles

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
29. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 1,497	-	\$ 1,497	-
30. Other Salary Liability Reflect salary obligations for the Department due to deferred sick payouts, delayed layoffs and benefit payouts to employees. In addition, the Department is fully employed and unable to meet their salary savings rate of four percent.	\$ 48,700	-	\$ 48,700	-
TOTAL EL PUEBLO DE LOS ANGELES	\$ 50,197	-	\$ 50,197	-
Total Unfunded Liabilities	\$ 50,197	-	\$ 50,197	-
Operational Plan Solutions	-	-	-	-
2010-11 ADJUSTED BUDGET STATUS	\$ 50,197	-	\$ 50,197	-

ATTACHMENT 1
Emergency Management

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
31. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 116,485	-	\$ 116,485	-
32. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 12,324	-	\$ 12,324	-
33. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 1,807	-	\$ 1,807	-
34. Other Salary Liability Reflect other salary deficit for the Department: Workers Compensation Sick Leave and Vacation Payout (\$87,518), and salary projection of grant funded positions that are front funded by the General Fund (\$896,350).	\$ 983,868	-	\$ 983,868	-
Global Solutions				
35. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (116,485)	-	\$ (116,485)	-
Increased Sources of Funds				
36. Increased Source of Funds Increase funding for the Department's Salaries General Account by \$864,952 for salary reimbursements to be received from the Mayor's Office of Homeland Security and Public Safety for positions dedicated to various grant projects.	\$ (864,952)	-	\$ (864,952)	-
37. Transfer from the Emergency Operations Fund Due to lack of funds, transfer \$83,634 in one-time prior-year savings from the Emergency Operations Fund to partially offset the Department's deficit.	\$ (83,634)	-	\$ (83,634)	-
Other Changes or Adjustments				
38. Transfer Position to Special Fund The Department will transfer one filled Emergency Preparedness Coordinator I position from the General Fund to a vacant position funded by the Sewer Construction and Maintenance Fund for a six month salary savings of \$49,413.	\$ (49,413)	-	\$ (49,413)	-
TOTAL EMERGENCY MANAGEMENT	\$ -	-	\$ -	-
<hr/>				
Total Unfunded Liabilities	\$ 1,114,484	-	\$ 1,114,484	-
Operational Plan Solutions	(1,114,484)	-	(1,114,484)	-
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-

**ATTACHMENT 1
Ethics Commission**

Operational Plan Items	Amounts			Emp. Level															
	Expenditure	Revenue	Net																
Unfunded Liabilities																			
39. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 58,336	-	\$ 58,336	-															
40. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 7,500	-	\$ 7,500	-															
41. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 2,150	-	\$ 2,150	-															
42. Other Salary Liability Reflect other salary liability due to the vacation payout for the Executive Director who will be termed out on January 15, 2011; an anticipated MOU Settlement retro-payments (\$3,500) and excess sick-time payouts for existing staff (\$6,200); and current employment level.	\$ 124,989	-	\$ 124,989	-															
Other Changes or Adjustments																			
43. Reductions in Expense Account The Department will reduce current year expenditures of \$192,975 in the Special Prosecutor line item in the Contractual Services Account to offset the Department's salaries general shortfall.	\$ (192,975)	-	\$ (192,975)	-															
TOTAL ETHICS COMMISSION	\$ -	-	\$ -	-															
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Total Unfunded Liabilities</td> <td style="text-align: right;">\$ 192,975</td> <td style="text-align: center;">-</td> <td style="text-align: right;">\$ 192,975</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="padding-left: 20px;">Operational Plan Solutions</td> <td style="text-align: right;">(192,975)</td> <td style="text-align: center;">-</td> <td style="text-align: right;">(192,975)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>2010-11 ADJUSTED BUDGET STATUS</td> <td style="text-align: right;">\$ -</td> <td style="text-align: center;">-</td> <td style="text-align: right;">\$ -</td> <td style="text-align: center;">-</td> </tr> </table>					Total Unfunded Liabilities	\$ 192,975	-	\$ 192,975	-	Operational Plan Solutions	(192,975)	-	(192,975)	-	2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-
Total Unfunded Liabilities	\$ 192,975	-	\$ 192,975	-															
Operational Plan Solutions	(192,975)	-	(192,975)	-															
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-															

ATTACHMENT 1

Finance

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
44. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 967,427	-	\$ 967,427	-
Global Solutions				
45. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (967,427)	-	\$ (967,427)	-
TOTAL FINANCE	\$ -	-	\$ -	-

Total Unfunded Liabilities	\$ 967,427	-	\$ 967,427	-
Operational Plan Solutions	(967,427)	-	(967,427)	-
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-

ATTACHMENT 1

Fire

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
46. Other Salary Liability Reflect sworn salary and constant staffing overtime deficit for the Department due to delayed staffing redeployment and the temporary cancellation of the Modified Coverage Plan.	\$ 19,200,000	-	\$ 19,200,000	-
47. Expense Liability Reflects departmental shortfall in Field Equipment Expense, Rescue Supplies and Contractual Services accounts.	\$ 1,600,000	-	\$ 1,600,000	-
Targeted Curtailments				
48. Reduction of Constant Staffing Overtime The Department expects to reduce Constant Saving Overtime expense by redeploying Staff Assistants, Emergency Medical Service Fire Captains and Haz-Mat Squad personnel within the field to backfill vacancies.	\$ (7,500,000)	-	\$ (7,500,000)	-
Other Changes or Adjustments				
49. Reduction of Variable Staffing Overtime The Department will reduce funding for Variable Staffing Overtime hours by postponing recruitment outreach and a reduction in training.	\$ (2,500,000)	-	\$ (2,500,000)	-
TOTAL FIRE	\$ 10,800,000	-	\$ 10,800,000	-
<hr/>				
Total Unfunded Liabilities	\$ 20,800,000	-	\$ 20,800,000	-
Operational Plan Solutions	(10,000,000)	-	(10,000,000)	-
2010-11 ADJUSTED BUDGET STATUS	\$ 10,800,000	-	\$ 10,800,000	-

ATTACHMENT 1
General Services

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
50. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 700,000	-	\$ 700,000	-
51. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 3,960,000	-	\$ 3,960,000	-
52. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 667,000	-	\$ 667,000	-
53. Other Salary Liabilities Reflect other salary deficit for the Department: furlough exemptions for Office of Public Safety and helicopter maintenance staff (\$920,000), unfunded Fleet positions required to support the Bureau of Street Services' Street Resurfacing Program (\$800,000), current excess sick-leave payout (\$312,000), and various MOU agreements for reimbursement of shoe, uniform and tool allowances (\$635,000).	\$ 2,667,000	-	\$ 2,667,000	-
54. Expense Liability Reflect Parts Account shortfall for the Department to support the City's Fleet Program. The initial shortfall of \$4 million reported in the First Financial Status Report was based on expenditures as of August 2010. Over the past two months, the Department has experienced reduced parts usage and is now reporting a revised year-end shortfall of \$2.4 million.	\$ 2,440,500	-	\$ 2,440,500	-
Global Solutions				
55. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (700,000)	-	\$ (700,000)	-
Targeted Curtailments				
56. Deletion of Vacant Positions Due to a lack of funds, the Department will delete 12 vacant positions in various divisions. The savings amount reflect six months of current year savings.	\$ (372,000)	-	\$ (372,000)	(12)
57. Reduction of Fleet Parts Account The Department expects to reduce the Fleet Parts Account deficit by removing 2,000 vehicles from the City inventory by the last quarter of current fiscal year. The removal of the 2,000 vehicles was approved in the 2010-11 Adopted Budget.	\$ (1,600,000)	-	\$ (1,600,000)	-
Increased Sources of Funds				
58. Transfer from Stores Revolving Fund Due to lack of funds, transfer \$600,000 from the Stores Revolving Fund, on a one-time basis, to partially offset the Department's deficit.	\$ (600,000)	-	\$ (600,000)	-

**ATTACHMENT 1
General Services**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Increased Sources of Funds				
59. Funding Source Increase	\$ (5,607,023)	-	\$ (5,607,023)	-
<p>Increase funding for the Department's Street Resurfacing Program support by \$5.6 million from the Street Damage Restoration Fee Special Fund. The Bureau of Street Service's Street Resurfacing Program target for this fiscal year is 235 miles. However, the current appropriation for Fleet Services can only support 110 miles. In addition, the Department has significant deficits in various accounts which will further impact the support service levels for Bureau of Street Services. In order to provide sufficient funds to support the Street Resurfacing Program, the Bureau of Street Services is proposing to fund eligible Fleet Services and Materials Testing Services expenditures from the Street Damage Restoration Fee Special Fund. According to Bureau of Street Services, this transfer of funds will result in a 16 mile reduction to the Bureau's 235 mile goal to 219 miles but will allow full support for the remaining miles.</p>				
Other Changes or Adjustments				
60. Reductions in Expense and Special Accounts	\$ (1,555,477)	-	\$ (1,555,477)	-
<p>The Department will reduce current year expenditures in the following accounts to partially offset the Department's deficit: Contractual Services (\$500,000), Utilities Expense (\$320,000), Operating Supplies (\$255,477), Lab Testing Expense (\$215,000), Mail (\$150,000), Uniforms (\$60,000), and Printing and Binding (\$55,000).</p>				
TOTAL GENERAL SERVICES	\$ -	-	\$ -	(12)
Total Unfunded Liabilities				
	\$ 10,434,500	-	\$ 10,434,500	-
Operational Plan Solutions	(10,434,500)	-	(10,434,500)	(12)
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	(12)

ATTACHMENT 1
Information Technology Agency

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
61. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 1,110,283	-	\$ 1,110,283	-
62. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 1,526,526	-	\$ 1,526,526	-
63. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 99,925	-	\$ 99,925	-
64. Other Salary Liability Reflect salary account deficit for the Department due to regular sick time payouts (\$102,017), unmet vacancy projections (\$1,896,829), and tool allowance payouts (\$208,000).	\$ 2,206,846	-	\$ 2,206,846	-
Global Solutions				
65. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (1,110,283)	-	\$ (1,110,283)	-
Increased Sources of Funds				
66. Audit Receipts Increase the Department's salary appropriation to be offset by a transfer from the Telecommunications Development Account of unbudgeted receipts. The Department recently indicated that an ongoing audit of 2006-07 Franchise Fee payments is anticipated to result in additional receipts to the Telecommunications Development Account before the end of the fiscal year in an amount greater than \$734,648. Should the audit not result in the projected receipts, the Department will seek to eliminate the remaining salary deficit through attrition.	\$ (734,648)	-	\$ (734,648)	-
Other Changes or Adjustments				
67. Reductions in Expense Account The Department will reduce current year expenditures in Communications Services (\$2,162,229), Contractual Services (\$758,099), and Office and Administrative Expense (\$178,321) to partially offset the Department's deficit.	\$ (3,098,649)	-	\$ (3,098,649)	-
TOTAL INFORMATION TECHNOLOGY AGENCY	\$ -	-	\$ -	-
<hr/>				
Total Unfunded Liabilities	\$ 4,943,580	-	\$ 4,943,580	-
Operational Plan Solutions	(4,943,580)	-	(4,943,580)	-
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-

ATTACHMENT 1
Neighborhood Empowerment

Operational Plan Items	Amounts			Emp. Level															
	Expenditure	Revenue	Net																
Unfunded Liabilities																			
68. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 86,345	-	\$ 86,345	-															
69. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 63,002	-	\$ 63,002	-															
70. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 1,660	-	\$ 1,660	-															
71. Other Salary Liability Reflect salary account deficit for the Department due to three positions filled with on-loan employees. The 2010-11 Adopted Budget reduced the number of authorized positions from 43 to 18. Council subsequently authorized an additional five positions for a total of 23 positions. In the interim, the Department received authority to fill three positions with on-loan employees to address critical workload areas.	\$ 19,937	-	\$ 19,937	-															
Global Solutions																			
72. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (86,345)	-	\$ (86,345)	-															
Targeted Curtailments																			
73. Suspension of Hiring Suspend Managed Hiring Committee authority to hire a Senior Management Analyst I and an Accounting Clerk II to generate \$84,599 in salary savings.	\$ (84,599)	-	\$ (84,599)	-															
TOTAL NEIGHBORHOOD EMPOWERMENT	\$ -	-	\$ -	-															
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Total Unfunded Liabilities</td> <td style="text-align: right;">\$ 170,944</td> <td style="text-align: center;">-</td> <td style="text-align: right;">\$ 170,944</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="padding-left: 20px;">Operational Plan Solutions</td> <td style="text-align: right;">(170,944)</td> <td style="text-align: center;">-</td> <td style="text-align: right;">(170,944)</td> <td style="text-align: center;">-</td> </tr> <tr> <td>2010-11 ADJUSTED BUDGET STATUS</td> <td style="text-align: right;">\$ -</td> <td style="text-align: center;">-</td> <td style="text-align: right;">\$ -</td> <td style="text-align: center;">-</td> </tr> </table>					Total Unfunded Liabilities	\$ 170,944	-	\$ 170,944	-	Operational Plan Solutions	(170,944)	-	(170,944)	-	2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-
Total Unfunded Liabilities	\$ 170,944	-	\$ 170,944	-															
Operational Plan Solutions	(170,944)	-	(170,944)	-															
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	-															

ATTACHMENT 1

Planning

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
74. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 1,000,000	-	\$ 1,000,000	-
75. Other Liability Reflect anticipated revenue shortfall in the Planning Case Processing special fund based on current trends in revenue collection.	\$ 1,600,000	-	\$ 1,600,000	-
Global Solutions				
76. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (700,000)	-	\$ (700,000)	-
Attrition				
77. Achieved Employee Vacancies The Department is holding 20 positions vacant to offset unfunded liabilities in the current fiscal year.	\$ (1,590,000)	-	\$ (1,590,000)	(20)
Increased Sources of Funds				
78. Special Fund Increase Increase revenue for the Department's Planning Case Processing Special Fund. The Council agreed to adjust the Planning and Land Use Fees, which are part of the Special Fund, to include the related costs over the course of two years. During the first year, 2009-10, fifty percent of the related costs were added to the Fees. In the second year, 2010-11, the Department anticipated that the remaining fifty percent of the related costs would be added to the Fees beginning July 1, 2010. However, the amending ordinance has not yet been adopted by Council. If the ordinance is adopted in the third quarter of 2010-11, the Department projects that \$310,000 in revenues for the special fund could be achieved.	\$ (310,000)	-	\$ (310,000)	-
TOTAL PLANNING	\$ -	-	\$ -	(20)
<hr/>				
Total Unfunded Liabilities	\$ 2,600,000	-	\$ 2,600,000	-
Operational Plan Solutions	(2,600,000)	-	(2,600,000)	(20)
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	(20)

ATTACHMENT 1

Police

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
79. Change in EAA Furlough Days Liability	\$ 4,100,000	-	\$ 4,100,000	-
Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.				
80. ERIP Payout Liability	\$ 4,000,000	-	\$ 4,000,000	-
Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.				
81. Deferred Excess Sick-Leave Payout Liability	\$ 300,000	-	\$ 300,000	-
Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.				
82. Expense Liability	\$ 3,000,000	-	\$ 3,000,000	-
Reflect deficits in the Contractual Services Account (\$2.5 million) and the Field Equipment Expense Account (\$500,000). These deficits are due to underfunding of the Contractual Services Account and the ongoing and increasing need for DNA analysis supplies.				
83. PPL Excess Sick Payout	\$ 5,000,000	-	\$ 5,000,000	-
The Police Protective League (PPL) MOU includes payment of \$5 million in excess sick time in January 2011. This payout was not included in the Department's 2010-11 budget.				
84. Reimbursable Sworn Overtime	\$ 9,700,000	-	\$ 9,700,000	-
The Department received an allocation of \$4.3 million for reimbursable sworn overtime, compared to estimated expenditures of \$14.1 million. This leaves a shortfall of \$9.7 million.				
Global Solutions				
85. Transfer from UB for Change in EAA Furlough Days	\$ (4,100,000)	-	\$ (4,100,000)	-
It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.				
Targeted Curtailments				
86. Reduction of Support Functions	\$ (3,000,000)	-	\$ (3,000,000)	(225)
Due to a lack of funds, decrease the Department's baseline employment by 225 employees performing support functions such as administration, clerical, and fleet maintenance. Because of the time required for the Personnel Department to process layoffs, the amount reflects four months of current year savings.				
Revenue				
87. Sworn Overtime Reimbursements	\$ -	(3,000,000)	\$ (3,000,000)	-
The Department anticipates reimbursement of the cost of sworn overtime worked on reimbursable activities. Of a total of \$3 million in expected revenue, \$1.5 million will be due to overtime worked at LAX, which is fully reimbursed by LAWA on a monthly basis. The remainder of the increase is due to overtime worked on other reimbursable activities such as grants and inter-agency task forces.				

ATTACHMENT 1

Police

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Revenue				
88. Proposition 69 Revenue	\$ -	(1,200,000)	\$ (1,200,000)	-
The Department received reimbursement of DNA collection costs mandated by Proposition 69 totalling \$1.2 million.				
Increased Sources of Funds				
89. Council-approved Grant Appropriations	\$ (5,000,000)	-	\$ (5,000,000)	-
The Department receives approximately \$5 million annually in Council-approved appropriations tied to grants and other reimbursable activities. Approximately \$3 million of this is appropriated to the Sworn Overtime account, with the balance going to a variety of other Departmental accounts. These appropriations contribute directly towards reducing the Department's deficits in these accounts.				
90. Supplemental Law Enforcement Services Fund	\$ (2,200,000)	-	\$ (2,200,000)	-
The City received an unanticipated grant payment from the State in July 2010 totalling \$3 million. Of this amount, \$800,000 will go towards repayment of an outstanding Reserve Fund loan to the Supplemental Law Enforcement Services Fund. It is recommended that the balance of \$2.2 million be appropriated to the Department's Sworn Salaries Account. These funds can only be used for front line municipal police services.				
Other Changes or Adjustments				
91. Accumulated Overtime	\$ (500,000)	-	\$ (500,000)	-
Due to slightly lower than anticipated sworn attrition, and less than anticipated overtime payouts at separation, there is a projected surplus in the Accumulated Overtime Account of \$500,000.				
92. Transfer from In-Car Video Financing	\$ (1,500,000)	-	\$ (1,500,000)	-
The Adopted Budget provided \$2.5 million in the Capital Finance Administration Fund for the first payment on a contemplated vendor financing agreement relating to Phase II of the Digital In-Car Video System Project. Inasmuch as no contract for services or financing has been signed at this time, this funding will not be needed this fiscal year and may be available for other purposes. As such, \$1.5 million is recommended for transfer to the Department, with the remainder left available for other priorities.				
TOTAL POLICE	\$ 9,800,000	(4,200,000)	\$ 5,600,000	(225)

Total Unfunded Liabilities	\$ 26,100,000	-	\$ 26,100,000	-
Operational Plan Solutions	(16,300,000)	(4,200,000)	(20,500,000)	(225)
2010-11 ADJUSTED BUDGET STATUS	\$ 9,800,000	(4,200,000)	\$ 5,600,000	(225)

ATTACHMENT 1
Board of Public Works

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
93. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 128,892	-	\$ 128,892	-
94. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 331,956	-	\$ 331,956	-
95. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 4,345	-	\$ 4,345	-
96. Other Salary Liability - 2011 Sick Leave Payout Reflect salary account deficit for the Department due to the absorption of payment for employees' 2011 excess sick-leave payment within the existing department budget.	\$ 26,778	-	\$ 26,778	-
Attrition				
97. Achieved Voluntary Employee Separations The Department has realized salary savings from vacancies and will continue to hold eight positions vacant this fiscal year to offset unfunded liabilities.	\$ (428,929)	-	\$ (428,929)	(8)
Other Changes or Adjustments				
98. Reductions in Expense Account The Department will reduce current year expenditures in the Salaries, Overtime account by \$48,000 and the Printing and Binding account by \$15,042 to partially offset the Department's deficit.	\$ (63,042)	-	\$ (63,042)	-
TOTAL BOARD OF PUBLIC WORKS	\$ -	-	\$ -	(8)
<hr/>				
Total Unfunded Liabilities	\$ 491,971	-	\$ 491,971	-
Operational Plan Solutions	(491,971)	-	(491,971)	(8)
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	(8)

**ATTACHMENT 1
Transportation**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
99. Change in EAA Furlough Days Liability Reflect salary account deficit for the Department due to the reduction of furlough days for Engineers and Architect Administrative (EAA) employees from 26 days to the required 10 unpaid holidays.	\$ 417,400	-	\$ 417,400	-
100. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 2,600,000	-	\$ 2,600,000	-
101. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 252,300	-	\$ 252,300	-
102. Other Salary Liability Reflect salary account deficit for the Department due to special funded employees not charging full time costs to special funds. The Department has made corrections and reprogrammed work orders in order to address this issue. See below item entitled Reprogramming of Work Orders.	\$ 868,000	-	\$ 868,000	-
103. Tool and Clothing Allowances Reflect salary account deficit for the Department due to mandatory tool and clothing allowance payouts for eligible employees within the existing department budget.	\$ 195,000	-	\$ 195,000	-
104. Safety Shoe Allowances Reflect salary account deficit for the Department due to mandatory safety shoe allowance payouts for eligible employees within the existing department budget.	\$ 105,000	-	\$ 105,000	-
Global Solutions				
105. Transfer from UB for Change in EAA Furlough Days It is anticipated that funding set aside in the Unappropriated Balance (UB) Budget Balancing Bridge account will be recommended for transfer to the Department in a future Financial Status Report to address reduced EAA furlough savings.	\$ (417,400)	-	\$ (417,400)	-
Attrition				
106. Expected Voluntary Employee Separations The Department anticipates approximately 25 additional voluntary employee separations through the end of the fiscal year resulting in additional savings. These positions will be held vacant for the remainder of the fiscal year in order to achieve salary savings to offset the Department's deficit.	\$ (577,730)	-	\$ (577,730)	(25)
Other Changes or Adjustments				
107. Reductions in Expense Account The Department will reduce current year expenditures in various expense accounts by \$560,570 (Printing and Binding account - \$100,000; Construction Expense account - \$100,000; Field Equipment Expense account - \$200,000; Investigations account - \$35,000; Office and Administrative account - \$125,570) to partially offset the Department's deficit.	\$ (560,570)	-	\$ (560,570)	-

**ATTACHMENT 1
Transportation**

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Other Changes or Adjustments				
108. Transfer from Salaries, As-Needed The Department will reduce current year expenditures in the Salaries, As-Needed account by \$200,000 to partially offset the Department's deficit.	\$ (200,000)	-	\$ (200,000)	-
109. Reimbursements for Special Events Services The Department anticipates the receipt of \$882,000 in reimbursements for special events services. The Second Financial Status Report will include actions to deposit \$489,000 in reimbursements into the Department's salary account to partially offset the Department's deficit. The remaining \$393,000 in reimbursements are anticipated later this fiscal year and will be included in a future Financial Status Report.	\$ (882,000)	-	\$ (882,000)	-
110. Transfer for ATSAC Services The Department will transfer \$500,000 from the ATSAC Trust Fund in order to cover General Funded costs on ATSAC projects in order to partially offset the Department's deficit.	\$ (500,000)	-	\$ (500,000)	-
111. Reprogramming of Work Orders The Department has reprogrammed work orders to ensure that labor and materials costs are appropriately charged to special funds for various projects that meet special fund eligibility requirements. It is expected that this reprogramming and auditing of work orders will mitigate the Department's deficit by about \$1 million.	\$ (1,000,000)	-	\$ (1,000,000)	-
112. Transfer for Investigations The Department will transfer \$300,000 from the Traffic Regulation and Enforcement Trust Fund to partially pay for salaries for investigation staff assigned to enforcement activities in the Bureau of Franchise and Taxicab Regulation. This transfer will be subject to City Attorney review regarding eligible uses of the funds.	\$ (300,000)	-	\$ (300,000)	-
TOTAL TRANSPORTATION	\$ -	-	\$ -	(25)
Total Unfunded Liabilities	\$ 4,437,700	-	\$ 4,437,700	-
Operational Plan Solutions	(4,437,700)	-	(4,437,700)	(25)
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	(25)

ATTACHMENT 1

Library

Operational Plan Items	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Unfunded Liabilities				
113. ERIP Payout Liability Reflect salary account deficit for the Department due to the absorption of the first installment of Early Retirement Incentive Program (ERIP) retiree benefit payouts within the existing department budget.	\$ 78,070	-	\$ 78,070	-
114. Deferred Excess Sick-Leave Payout Liability Reflect salary account deficit for the Department due to the absorption of payment for employees' deferred excess sick-leave payment within the existing department budget.	\$ 118,042	-	\$ 118,042	-
115. Other Salary Liability Reflect salary account deficit for the Department due to current year retirement payouts, sick leave payouts, unfunded Coalition increases and 13 unfunded positions in the Library Department. The Library Commission has the ability to authorize additional positions beyond those approved in the Adopted Budget. The 2010-11 Personnel Resolution adopted by the Board of Library Commissioners totals 888 employees, 60 more than the 828 contained in the Adopted Budget.	\$ 3,225,554	-	\$ 3,225,554	-
Attrition				
116. Achieved Voluntary Employee Separations Since September 1, 2010, five full-time equivalent employees have separated from the Department. The Department will hold the positions vacant this fiscal year to achieve savings to offset unfunded salary liabilities.	\$ (175,860)	-	\$ (175,860)	(5)
117. Expected Voluntary Employee Separations The Department reports an estimated 19 voluntary full time equivalent 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.	\$ (460,650)	-	\$ (460,650)	(19)
Increased Sources of Funds				
118. Increase Salary Appropriation/UUF Increase the appropriation in the Department's Salaries, General account by \$2,785,156 to allow the Department to utilize cash available the Unreserved and Undesignated Fund Balance (UUF). Available funds in the UUF are the result of unspent funds (salary and other expense account savings) carried over from previous fiscal years.	\$ (2,785,156)	-	\$ (2,785,156)	-
TOTAL LIBRARY	\$ -	-	\$ -	(24)
<hr/>				
Total Unfunded Liabilities	\$ 3,421,666	-	\$ 3,421,666	-
Operational Plan Solutions	(3,421,666)	-	(3,421,666)	(24)
2010-11 ADJUSTED BUDGET STATUS	\$ -	-	\$ -	(24)

ATTACHMENT 2

Citywide

Operational Plan Totals	Amounts			Emp. Level
	Expenditure	Revenue	Net	
Total Unfunded Liabilities	\$ 87,838,864	-	\$ 87,838,864	-
Operational Plan Solutions	(64,050,723)	(4,200,000)	(68,250,723)	(342)
2010-11 ADJUSTED BUDGET STATUS	\$ 23,788,141	(4,200,000)	\$ 19,588,141	(342)