

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your

BUDGET AND FINANCE

Committee

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to revenue revisions for Fiscal Year 2010-11.

Recommendations for Council action:

1. NOTE and FILE the City Administrative Officer (CAO)'s report dated February 11, 2011 relative to revenue revisions for Fiscal Year 2010-11.
2. INSTRUCT the CAO to report in greater detail on the decrease of \$20 million in departmental receipts largely from lower ambulance collections in the first seven months of the fiscal year and a reduction in allowable overhead rates including the impact of the transition of ambulance fee collection to a private contractor.
3. INSTRUCT the CAO to report back on the vacancy rates of revenue generating positions such as traffic officers in the Department of Transportation and code enforcement related positions in the Department of Building and Safety and its impact on decreased revenue.
4. INSTRUCT the CAO to present various options in the report back on proposed solutions to address the projected year-end deficit ***with and without additional furloughs**
5. INSTRUCT the CAO to report back on an alternative option for management of City parking lots including the necessary steps and timeline involved in developing a RFP for management of the City parking lot operation in an effort to collect the full value of City parking lots in a manner similar to management of Los Angeles World Airport parking lots * **and report on Motion (Garcetti – LaBonge) as detailed under Council file [10-0139-S2](#).**

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

At its meeting of February 14, 2011, the Budget and Finance Committee considered the CAO's report relative to revenue revisions for Fiscal Year 2010-11. CAO representatives provided an overview of the report including an update on the status of the \$53 million in revenue budgeted for the Public-Private Partnership (P3) transaction for the City' parking structures, revisions to other General Fund revenue amounts, and proposed solutions to address the projected year-end deficit. During Committee discussion, representatives of the Los Angeles Fire Department (LAFD) responded to Committee members' concerns over lower ambulance collections. LAFD representatives stated that the decrease was largely due to implementation delays in the

transition to a private contractor for ambulance collection and that revenue collection is expected to meet projections by the end of the fiscal year. The Committee discussed with CAO and CLA representatives the status of each General Fund revenue source as identified in the CAO report attached to the Council file.

After further consideration and an opportunity for public comment, the Budget and Finance Committee recommended to note and file the CAO's report dated February 11, 2011. Additionally, the Committee recommended to instruct the CAO to report back on several matters as reflected in the above recommendations. 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:	ABSENT
ROSENDAHL:	YES
HUIZAR:	YES
KORETZ:	YES

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