Re: Partial Response of the City Attorney’s Office to the Third Financial Status Report (FSR) for FY 2010/11

Honorable Chair Parks and Members of the Committee:

The City Attorney’s Office respectfully submits this partial response to the FSR that was issued on March 18, 2011. Representatives of this Office are prepared to provide additional relevant information and materials on these matters, as necessary, at the hearing scheduled today before the Committee. Specifically, based on our review and analysis of the FSR, this Office has found that the FSR grossly overstates both the current deficit shortfall and projected year-end deficit shortfall.

As this Committee is aware, in FY 2009/10, through a combination of ERIP, attrition, furloughs and other cost-saving and revenue-generation measures, this Office reduced its starting deficit of approximately $18 million to a year-end revenue surplus of over $200,000. In FY 2010/11, the budget of this Office was further reduced by nearly 10 percent, which was a percentage cut greater than that imposed on any other City public safety department. (See Attachment 1 regarding the disproportionate treatment of the City Attorney’s Office compared to the City’s other public safety departments).
In December 2010, the CAO prepared, and this Committee and full Council approved, a Budget Operational Plan that proposed cost-saving and revenue-generating offsets for this Office, including attrition estimates. As of this date, this Office is on track to meet or exceed those approved offset proposals, with the exception of the proposed Administrative Code Enforcement (ACE) Ordinance (which is the subject of the motion by Councilmember Paul Koretz) and our attrition goal. Interfund transfers of City Attorney personnel from General Fund positions to newly-emerging Special Fund and Proprietary staffed positions, however, will more than offset the previous estimates for the ACE start-up and lower than expected attrition factor. (See Attachment 2 regarding the City Attorney’s Cost-Saving and Revenue-Generating Success in FY 2010/11).

The CAO’s December 3, 2010 Budget Operational Plan, which included a two-page analysis concerning this Office, was heard in December 2010 by this Committee, and later before the full City Council. The total unfunded liabilities were initially identified as $10,764,623, with Operational Plan solutions to be developed by the City Attorney’s Office totaling $7,646,101. At that time, the projected year-end deficit for this Office had been estimated to be $3,118,522, and was acknowledged publically before this Committee and the full Council.

This Office has already achieved the majority of our Operational Plan goals and is on schedule to meet at least 90% of our requirements. In addition, to the extent that we can erode the initial projected year-end deficit of $3,118,522 through other solutions, we will provide those solutions.

We fully expect the final year-end deficit to be less than the CAO’s $2.7 million estimate in the FSR. All of our employees and managers are fully committed and tirelessly working to meet the goals of the approved Operational Plan.

Unfortunately, the very promising ACE proposal discussed during last year’s budget hearings, has not yet been approved by the Council. Once fully implemented, the ACE program will provide real-time and cost-effective enforcement of our City’s Municipal Code, including “broken window” violations, while simultaneously generating revenue for the City. Hopefully, the ACE program will soon be approved.
March 7, 2011
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This Office looks forward to discussing any and all of these matters during today’s hearing on the FSR. Thank you for your consideration of our concerns and proposals.

WILLIAM W. CARTER
Chief Deputy City Attorney
CARMEN A. TRUTANICH  
City Attorney  

March 21, 2011

"[I]t makes no sense for the Police Department to apprehend [a criminal] and then find the prosecution cannot be completed."

LAPD Chief Daryl Gates (Los Angeles Times, 1/7/82)

The Office of the City Attorney provides essential public safety services to the City and its residents under the mandates of the City Charter. As a Charter-mandated department, the City Attorney’s Office and its functions have been identified as one of the core, non-discretionary missions of the City. Unfortunately, over the past two years, this Office has been subjected to seemingly arbitrary and disproportionate budget cuts, as compared to the City’s two other Charter-mandated public safety offices, namely, the Police and Fire Departments.

Most notably, while the LAPD’s adopted FY 2010/11 Budget was increased by 1% to $1.177 billion, the City Attorney’s budget was decreased by nearly 10% to $85 million. Similarly, the LAFD’s adopted FY 2010/11 Budget was reduced by only 2% to $495 million. The figures listed below clearly demonstrate such an apparent arbitrary disparity in the funding between the City’s three public safety departments, which has materially impaired this Office’s ability to perform its duties under the Charter:

<table>
<thead>
<tr>
<th>Department</th>
<th>2009/10 Adopted</th>
<th>2010/11 Adopted</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td>1,166,229,399</td>
<td>1,177,483,228</td>
<td>+0.96%</td>
</tr>
<tr>
<td>Fire</td>
<td>505,655,091</td>
<td>495,009,381</td>
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</tr>
<tr>
<td>City Attorney</td>
<td>$ 95,267,403</td>
<td>$ 85,897,183</td>
<td>-9.84%</td>
</tr>
</tbody>
</table>

This fiscal year is not an isolated incident. A review of the past five years shows that the General Fund share allocated to the City Attorney’s Office has continued to drop from 3.3% in FY 2006/07 to 2.7% in FY 2010/11. In comparison, the General Fund share of our primary public safety partner, the

ATTACHMENT 1
LAPD, steadily increased from 47% in FY 2006/07 to 52.6% in FY 2010/11. Such an ongoing and growing disparity between the funding of this Office and the LAPD, whose officers arrest the criminals prosecuted and kept in jail by this Office, and whose officers are regularly defended in civil courts by this Office, makes absolutely no sense.¹

Given the current staffing levels of this Office and the LAPD, there is only one City prosecutor for every 50 police officers in this City. Further reducing the number of City prosecutors assigned to prosecute criminals arrested by the LAPD, including “broken window” or quality of life crimes, will jeopardize the significant reductions in gang and other crimes achieved in this City.

These historic reductions in crime are unprecedented and were accomplished through the hard work and efforts of many law enforcement agencies over the past several years, including the LAPD, Los Angeles County Sheriff’s Department, the City Attorney’s Office and the Los Angeles County District Attorney’s Office. Without a doubt – as the number of criminal prosecutors decreases in the City, criminal prosecutions will also decrease – and with reduced prosecutions, crime rates and threats to public safety will eventually increase. It should therefore always be remembered that the police don’t keep criminals in jail – prosecutors do.

Moreover, as our prosecutors protect and serve our communities from threats to public health and safety posed by criminals, our litigators serve and protect other City departments so those entities can continue delivering City services, including police and fire protection. Without the City Attorney’s Office providing the public safety, legal and risk management services mandated under the provisions of the City Charter, no City services whatsoever could long be provided and public safety would soon be greatly diminished. For these reasons, the City Attorney’s Office and its functions should be properly supported.²

¹ This downward budget trend for the City Attorney’s Office is illustrated even more starkly in the attached chart. City Attorney Budget – The Underfunding Trend. It is also important to note that although this Office started FY 2009/10 with an $18 million deficit, through a combination of cost-saving and revenue-generating measures, we were able to eliminate that deficit and end the year with a $200,000 revenue surplus.

² It should also be noted that in the findings of the Mayor’s recent Budget Survey (released on March 12, 2011) in which residents were asked to select the “Ten Most Important and Essential City Services,” the City Attorney’s Office was ranked Number 7, behind the Police and Fire Departments, emergency ambulance services, street resurfacing, trash and recycling Pick-Up and Sanitation Department. (See attached Survey ranking).
CITY ATTORNEY BUDGET - THE UNDERFUNDING TREND

City Attorney underfunded by $10.8 million or 11%

*Based on adopted budgets available on CAO website/Proposed FY 2010/11 Budget
**Based on FY 2009/10 Budget Operation Plan/FY 2010/11 Projected Payroll Requirement
TEN MOST ESSENTIAL CITY SERVICES

Knowing that the City has limited funding, and will not be able to provide all the services it has in the past, please select the ten (10) MOST IMPORTANT SERVICES that you feel the City should provide at a reasonable level.

<table>
<thead>
<tr>
<th>Response</th>
<th>Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Patrol and Field Operations</td>
<td>86.8%</td>
<td>884</td>
</tr>
<tr>
<td>Fire Suppression</td>
<td>72.5%</td>
<td>739</td>
</tr>
<tr>
<td>Emergency Ambulance Services</td>
<td>66.7%</td>
<td>680</td>
</tr>
<tr>
<td>Street Resurfacing, Reconstruction and Improvement</td>
<td>65.5%</td>
<td>667</td>
</tr>
<tr>
<td>Trash and Recycling Pick-up*</td>
<td>65.2%</td>
<td>664</td>
</tr>
<tr>
<td>Sanitation Services*</td>
<td>56.0%</td>
<td>571</td>
</tr>
<tr>
<td>City Attorney Services</td>
<td>49.7%</td>
<td>506</td>
</tr>
<tr>
<td>Building and Safety Services</td>
<td>49.0%</td>
<td>499</td>
</tr>
<tr>
<td>Emergency Management Services</td>
<td>47.8%</td>
<td>487</td>
</tr>
<tr>
<td>Library Services</td>
<td>43.4%</td>
<td>442</td>
</tr>
<tr>
<td>Gang Reduction and Youth Services</td>
<td>40.7%</td>
<td>415</td>
</tr>
<tr>
<td>Specialized Crime Suppression and Investigation</td>
<td>37.5%</td>
<td>382</td>
</tr>
<tr>
<td>Street Lighting Operation and Maintenance*</td>
<td>35.3%</td>
<td>360</td>
</tr>
<tr>
<td>Aging Services</td>
<td>34.8%</td>
<td>355</td>
</tr>
<tr>
<td>Animal Services</td>
<td>30.1%</td>
<td>307</td>
</tr>
<tr>
<td>Parking Enforcement and Traffic Control</td>
<td>27.9%</td>
<td>284</td>
</tr>
<tr>
<td>Housing Services*</td>
<td>21.7%</td>
<td>221</td>
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<tr>
<td>Services for the Disabled</td>
<td>20.3%</td>
<td>207</td>
</tr>
<tr>
<td>Community Development</td>
<td>19.0%</td>
<td>194</td>
</tr>
<tr>
<td>Community Beautification</td>
<td>19.0%</td>
<td>194</td>
</tr>
<tr>
<td>City Clerk Services</td>
<td>16.4%</td>
<td>167</td>
</tr>
<tr>
<td>Cultural Affairs Services</td>
<td>15.0%</td>
<td>153</td>
</tr>
<tr>
<td>Construction Inspection and Contract Compliance*</td>
<td>14.5%</td>
<td>148</td>
</tr>
<tr>
<td>Tree and Parkway Maintenance</td>
<td>13.1%</td>
<td>133</td>
</tr>
<tr>
<td>Planning Services*</td>
<td>12.8%</td>
<td>130</td>
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<tr>
<td>Neighborhood Empowerment Support</td>
<td>12.2%</td>
<td>124</td>
</tr>
<tr>
<td>Ethnic Commission Services (Governmental Ethics)</td>
<td>10.5%</td>
<td>107</td>
</tr>
<tr>
<td>Los Angeles Zoo Operators</td>
<td>8.8%</td>
<td>90</td>
</tr>
<tr>
<td>El Pueblo Operations</td>
<td>4.2%</td>
<td>43</td>
</tr>
<tr>
<td>Convention Center Operations and Management*</td>
<td>3.6%</td>
<td>37</td>
</tr>
</tbody>
</table>

Total Responses: 1,019
The City Attorney's Office has sustained unprecedented budget cuts, lost dozens of senior prosecutors, litigators, investigators and support staff to early retirement and attrition, and been forced to impose 26 days of furloughs in order to meet budgetary goals. Despite this dramatic reduction in resources, all sections of the Office have met these challenges by working hard to do more with less. The results have been extraordinary.

Through focused and efficient management, as well as the professional and tireless efforts of all of our prosecutors, litigators, investigators and their support staffs, this Office has increased cost-savings and revenue for the City, reduced civil liability payouts and maintained criminal prosecutions, which has kept crime rates at historically low levels. These results, however, are simply not sustainable under such budgetary conditions. Additional staff and resource reductions will materially impair the Office's ability to meet its Charter-mandated obligations set forth in City Charter Section 271.

The following are some of the successes to date this fiscal year:

- **Liability Payouts**
  38 victories or favorable verdicts out of 41 trials = $71.82 million savings to the General Fund
  (Attachment A)

Since July 1, 2010, this Office's Police Litigation Unit, Employment Litigation Unit and General Litigation Unit have won, obtained complete defense verdicts or otherwise favorable verdicts in 38 out of 41 trial matters. These cases represented over $71 million in potential civil liability to the City's General Fund. Despite increasing caseloads and limited resources, our litigators' successes have provided substantial financial resources for use in supporting critical services, including police and fire protection, rather than as damage payments and attorneys' fees in civil lawsuits. Currently, the City is facing nearly $2 billion in potential civil liability damages.

- **Collections**
  $2,575,523 in revenue collected for General Fund
  (Attachment B)

Prosecutors, litigators and support staff in this Office continue to recover and collect the vast sums currently owed to the City treasury, including business, parking and occupancy taxes. Since July 1, 2010, this Office has successfully recovered $2,575,523 for the General Fund that was previously uncollectable. Additionally, civil judgments of $2.4 million, $4.4 million and $3.5 million, for a total of $10.3 million, were recently won by this Office against the California State Board of Equalization, a scofflaw parking lot company and a large, downtown...
hotel, respectively. At least $1.1 million of the $10.3 million ordered under these judgments will be paid to the General Fund on or before June 1, 2011.

- **Outside Counsel**

  Expenditures reduced by another 50 percent - $2.25 million saved
  (Attachment C)

  This Office has achieved substantial success in reversing the costly trend of using outside counsel. In FY 2009/10, expenditures dropped to $13.49 million, a near 50 percent reduction from FY 2008/09. Efforts to further reduce the use of outside counsel have continued successfully this fiscal year. For example, in the first four months of FY 2010/11, expenditures again dropped by nearly 50 percent from $4.8 million (July through October 2009) as compared to $2.5 million (July through October 2010). In accomplishing these goals, this Office brings more work in-house, while developing the needed expertise and experience to continue providing successful and professional legal services to the City in a more cost-effective manner.

- **Subrogation**

  $1.432 million recovered through subrogation efforts
  (Attachment D)

  The City Attorney’s Subrogation Section is tasked with recovering revenue from insured parties that have been harmed by the City. Since July 1, 2010, the Section has recovered a total of $1.432 million, including judgments and credits, over $966,785 of which represents a cash recovery for the City.

- **Business and Complex Litigation**

  $34.3 million saved due to negotiated settlements and favorable judgments
  (Attachment E)

  Throughout this fiscal year, the efforts of our Business and Complex Litigation Section have yielded significant returns and savings for both the General and Special Funds. Specifically, negotiated settlements and favorable judgments have yielded $34.3 million in savings.

- **Safe Neighborhoods Division**

  $205,285 in revenue received from settlements
  (Attachment F)

  In addition to prosecuting gang-related crimes and enforcing gang injunctions, among other things, the prosecutors in our Safe Neighborhoods Division, including the Citywide Nuisance Abatement Program (CNAP) and Project Taking Out Urban Gang Headquarters (TOUGH), have collected over $200,000 for the General Fund.
Attrition
$1.1 million in salary savings

Since July 1, 2010, nearly 20 employees have resigned or announced their resignation from the Office this fiscal year. The estimated salary savings from such attrition are $1.1 million.

Furloughs
$7 million in salary savings generated from 26 days of furloughs

The employees of this Office have endured 26 days of furlough, which have generated at least $7 million in salary savings. However, it is impossible to successfully sustain a prosecution and litigation department with part-time prosecutors, litigators and support staff, especially where the courts, juries, police, opposing counsel and criminals are not furloughed. Any additional furloughs for our employees will detrimentally affect both public safety and the ability of this Office to successfully represent the City and its departments in civil lawsuits.

Transfers to Special-Funded Positions
$1 million in salary savings

Since July 1, 2010, nearly 20 employees have been transferred from the City’s General Fund to special-funded positions, including those in the City’s Proprietary Departments, and have generated over $1 million in salary savings. This Office contemplates that an additional $100,000 will be saved through such additional transfers before the end of this fiscal year.

Consumer/Environmental Enforcement Penalties
$4.6 million

Since July 1, 2010, the Criminal Branch of this Office has obtained $4.6 million in penalties through the enforcement or consumer and/or environmental violations. Pursuant to state statute, the collection of such penalties is to be used by the City Attorney’s Office to support such enforcement efforts.

Jackson Memorial
$1 million donation to the General Fund

On June 18, 2010, the City Attorney’s Office, in conjunction with Councilmember Dennis Zine, was able to negotiate a $1 million donation to the City’s General Fund by AEG and the Estate of Michael Jackson to reimburse costs incurred by the City during the Jackson Memorial Service in July 2009. In addition to that donation, AEG donated $300,000 to the LAPD Foundation, with the majority of such funds used to purchase and install licensed plate scanners in Skid Row as part of an effort to identify drug dealers and other criminals with outstanding criminal warrants and/or subject to the Skid Row Injunction imposed in that area.
<table>
<thead>
<tr>
<th>Case Name</th>
<th>Final Demand/exposure</th>
<th>Result</th>
<th>Total Savings</th>
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<tbody>
<tr>
<td>1 Gonzalez v. City</td>
<td>$2,500,000</td>
<td>Hung Jury</td>
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<tr>
<td>2 Nezaric v. City</td>
<td>$100,000</td>
<td>Favorable Verdict: $39,443</td>
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<td>3 Ballaz v. City</td>
<td>$3,980,000</td>
<td>Favorable Verdict: $1,732,452</td>
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<td>4 Snively v. City</td>
<td>$200,000</td>
<td>Defense Verdict</td>
<td>$200,000</td>
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<td>5 Malcolm v. City</td>
<td>$3,000,000</td>
<td>Favorable Verdict: $705,000</td>
<td>$2,295,000</td>
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<tr>
<td>6 Curiel v. City</td>
<td>$500,000</td>
<td>Defense Verdict</td>
<td>$500,000</td>
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<td>7 Mateescu v. City</td>
<td>$16,000,000</td>
<td>Defense Verdict</td>
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<td>8 Farias v. City</td>
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<td>$450,000</td>
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<td>9 Guadalupe v. City</td>
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<td>10 Johnson v. City</td>
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<td>$300,000</td>
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<td>11 Boone v. City</td>
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<td>Defense Verdict</td>
<td>$100,000</td>
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<tr>
<td>12 Otero v. City</td>
<td>$500,000</td>
<td>Defense Verdict</td>
<td>$500,000</td>
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<td>13 Barrows v. City</td>
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<tr>
<td>14 Morales v. City</td>
<td>$2,500,000</td>
<td>Favorable Verdict: $179,450</td>
<td>$2,320,549</td>
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<tr>
<td>15 Mattson v. City</td>
<td>$750,000</td>
<td>Defense Verdict</td>
<td>$750,000</td>
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<tr>
<td>16 Blackstone v. City</td>
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<td>Blackstone - Favorable Verdict: $736,311</td>
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<td>Gonzales - Defense Verdict</td>
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<tr>
<td>17 D. Cadle v. City</td>
<td>$250,000</td>
<td>Defense Verdict</td>
<td>$250,000</td>
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<tr>
<td>18 Romney v. Bratton</td>
<td>$500,000</td>
<td>Plaintiff's Verdict: $4,000,000</td>
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<tr>
<td>19 Taylor-Ewing v. City</td>
<td>$50,000</td>
<td>Plaintiff's Verdict: $160,300</td>
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<td>20 San Jose v. City</td>
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<td>$750,000</td>
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<td>21 Angelova v. City</td>
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<td>Defense Verdict</td>
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<tr>
<td>22 De Armas v. City</td>
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<td>Defense Verdict</td>
<td>$25,000</td>
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<tr>
<td>23 Gantt v. City</td>
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<td>Defense Verdict</td>
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<td></td>
<td>Consolidated with Smith v. City</td>
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<tr>
<td>24 Cox v. City</td>
<td>$1,000,000</td>
<td>Defense Verdict</td>
<td>$1,000,000</td>
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<tr>
<td>25 Adato v. City</td>
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<td>$8,000,000</td>
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<tr>
<td>26 Prince v. City</td>
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<tr>
<td>27 Gilbert v. City</td>
<td>$1,500,000</td>
<td>Favorable Verdict: $1,165,312</td>
<td>$334,688</td>
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<td>28 Velasco v. City</td>
<td>$450,000</td>
<td>Defense Verdict</td>
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</tr>
<tr>
<td>#</td>
<td>Case</td>
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<td>----</td>
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<td>--------------------------------------</td>
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<tr>
<td>29</td>
<td>Morales v. City</td>
<td>$95,000</td>
<td>Defense Verdict</td>
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<tr>
<td>30</td>
<td>Luco v. Perez</td>
<td>$4,800,000</td>
<td>Defense Verdict</td>
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<tr>
<td>31</td>
<td>Chioda v. City</td>
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<td>Defense Verdict</td>
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<tr>
<td>32</td>
<td>Chaudhry v. City</td>
<td>$3,750,000</td>
<td>Favorable Verdict: $1,700,000</td>
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<tr>
<td>33</td>
<td>Jee v. City</td>
<td>$100,000</td>
<td>Favorable Outcome - Nonsuit</td>
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<tr>
<td>34</td>
<td>Martell v. City</td>
<td>$17,500</td>
<td>Favorable Outcome - Nonsuit</td>
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<td>35</td>
<td>Cutler v. City</td>
<td>$99,000</td>
<td>Defense Verdict</td>
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<td>36</td>
<td>Progressive v. City</td>
<td>$3,500</td>
<td>Defense Judgment</td>
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<td>37</td>
<td>Curzi v. City</td>
<td>$850,000</td>
<td>Defense Verdict</td>
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<td>38</td>
<td>Saafir v. City</td>
<td>$250,000</td>
<td>Defense Verdict</td>
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<tr>
<td>39</td>
<td>Miller v. City</td>
<td>$2,500,000</td>
<td>Favorable Verdict: $993,491</td>
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<tr>
<td>40</td>
<td>Pimmaleeja v. City</td>
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<td>Defense Verdict</td>
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<tr>
<td>41</td>
<td>Cangress v. City</td>
<td>$260,000</td>
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<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>$82,120,000</strong></td>
<td></td>
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Office of the City Attorney  
Collection Revenue - FY 2010-11 (Year To Date) 

<table>
<thead>
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<th>Date Received</th>
<th>Fiscal Year</th>
<th>Type</th>
<th>Amount</th>
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<td>7/1/2010</td>
<td>2011</td>
<td>Collections</td>
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</tr>
<tr>
<td>7/2/2010</td>
<td>2011</td>
<td>Collections</td>
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</tr>
<tr>
<td>7/2/2010</td>
<td>2011</td>
<td>Collections</td>
<td>$86,096</td>
</tr>
<tr>
<td>7/6/2010</td>
<td>2011</td>
<td>Collections</td>
<td>$3,600</td>
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**Total YTD** $2,575,523
# RECAP OF EXPENDITURES BY DEPARTMENT

## COMPARATIVE CHART

**FISCAL YEAR 2009/10 VS. FY 2010/11 (as of October)**

<table>
<thead>
<tr>
<th>Council-Controlled Departments</th>
<th>FY2009/10 (as of 10/31/09)</th>
<th>FY2010/11 (as of 10/31/10)</th>
<th>Increase/(Decrease)</th>
</tr>
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<tbody>
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<td>Citywide/Other*</td>
<td>119,490</td>
<td>158,238</td>
<td>38,748</td>
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<td>-</td>
<td>45,962</td>
<td>45,962</td>
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<tr>
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<td>74,210</td>
<td>312,418</td>
<td>238,208</td>
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<td>Information Technology Agency</td>
<td>42,278</td>
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<td>Police*</td>
<td>135,891</td>
<td>870,302</td>
<td>734,411</td>
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<td>Public Works**</td>
<td>315,300</td>
<td>191,993</td>
<td>(123,307)</td>
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<tr>
<td><strong>Sub-total</strong></td>
<td><strong>687,169</strong></td>
<td><strong>1,671,221</strong></td>
<td><strong>984,052</strong></td>
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</tbody>
</table>

**Pension Funds**

| Fire & Police Pensions         | 40,997                      | 18,925                      | (22,072)            |
| Los Angeles City Employees Retirement System | 20,126 | 61,026 | 40,900 |
| Water & Power Retirement Plan | 16,209                      | 8,864                       | (7,344)             |
| **Sub-total**                  | **77,332**                  | **88,815**                  | **11,484**          | **15%**            |

**Proprietary Departments**

| Los Angeles World Airports     | 642,741                     | 73,799                      | (568,942)           |
| Port of Los Angeles            | 1,379,845                   | 224,649                     | (1,155,197)         |
| Water & Power                  | 1,057,230                   | 95,362                      | (961,868)           |
| **Sub-total**                  | **3,079,816**               | **393,810**                 | **(2,686,006)**    | **-87%**           |

**Quasi-Government Agencies**

| Community Redevelopment Agency | 371,217                     | 39,231                      | (331,986)           |
| **Sub-total**                  | **371,217**                 | **39,231**                  | **(331,986)**      | **-89%**           |

**Workers Compensation**

| Office of the City Attorney    | 70,478                      | 26,083                      | (44,395)            |
| Personnel                      | 88,570                      | 27,187                      | (61,383)            |
| **Sub-total**                  | **159,048**                 | **53,271**                  | **(105,777)**      | **-67%**           |

**Conflict Panel**

| Office of the City Administrator | 416,945                     | 197,544                     | (219,401)           |
| Water & Power                    | 8,210                       | 110,079                     | 101,869             |
| **Sub-total**                    | **425,155**                 | **307,623**                 | **(117,532)**      | **-28%**           |

**GRAND TOTAL CITYWIDE EXPENDITURES**

|                         | 4,799,737                   | 2,553,972                   | (2,245,765)         | **-47%**           |

---

*Paid by the Office of the City Attorney: FY09/10 - $333,044.25; FY10/11 - $1,340,958.97

**Include $3,452 paid by the Office of the City Attorney in FY09/10*
<table>
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<tr>
<th>Case Name</th>
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<th>Amount of Cash Recovery</th>
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<tbody>
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### MARCH 2011 UP TO 3/16/2011

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<td>Bivens</td>
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**Total Cash Recovery for Fiscal Year to Date:** $966,733.60

**Total Overall Recovery to Date for Fiscal Year (includes judgments and credit):** $1,432,785.78
Favorable Judgments

Brendan Collins, et al. v. City
This class action lawsuit against the City sought refunds of overbilled and collected Driving Under the Influence emergency response costs for plaintiffs. The total judgment against the City for damages, attorneys’ fees and costs was $816,829. In this case, the City saved approximately $800,000 in damages and attorneys fees as result of successful motions and appeals filed by our attorneys.

Salazar, et al. v. Schwarzenegger, State of California, City
In this putative class action lawsuit, the 9th Circuit Court of Appeals affirmed the City and State’s summary judgment and found that a temporary forfeiture of vehicles being driven by unlicensed drivers under Cal. Vehicle Code 14602.6 is warranted to protect Californians from the harm caused by unlicensed drivers. Potential exposure to the City was as much as $20 million.

Gharagozian v. Duncan, City, et al.
As a result of an audit by the Office of Contract Compliance, the City withheld payment to Gharagozian, a contractor on a public works project for prevailing wage violations. Gharagozian sued the City and the case was tried and appealed. The court validated imposition of $140,272 in restitution, penalties, and damages for the workers. Per Calif. Labor Code, the City retained $53,080 in penalties.

Spajic v. City
This class action lawsuit sought refund of the City’s $23 flat fee for crime reports and alleged the fee violated the California Public Records Act (“CPRA”). The court dismissed the case on the City’s motion. Our office estimates that thousands of crime reports had been issues by LAPD during the class time period, representing roughly $200,000 in fees plus $300,000 in damages. Total estimated savings are at least $500,000.

Los Angeles Police Protective League v. City
The administrative staff of the Police Commission twice accidentally posted on the Police Commission web site confidential information about approximately 250 police officers in connection with internal investigations. The court granted the City’s motion to dismiss the damages allegation saving the City as much as $5 million.

Culp and Leider
The court denied the Plaintiffs’ application for preliminary injunction to enjoin the use of the Zoo’s new elephant exhibit. They rejected any claim based upon the size and ground (dirt) quality of the elephant enclosure.

SMR Services v. City
The court granted the City’s motion for summary judgment and ruled that the City can issue citations to fictitious entities for running a red light identified by red light cameras under Cal. Vehicle Code section 21453(a). This victory preserved over $1 million in revenue for the City.

First Amendment Coalition v. City
The Court denied the plaintiffs motion for summary judgment on a Brown Act challenge on the grounds that the agenda accurately reflected the actions that Council took. The plaintiff announced it would dismiss the case.
Waters v. Hollywood Tow v. City
The City's motion to dismiss was granted for failure to state a claim where Pro per Waters' vehicle was impounded per Vehicle Code 22651. Hollywood Tow would not release it because plaintiff did not have the money. Plaintiff alleged that City defendant Beckum tried to dissuade him from exercising his right to gain access to public records.

People v. Richardson
The Court granted the City's motion to quash the subpoenas of all 15 Council Members on the grounds that the subpoenas were meant to harass.

Full Circle Recycling v. City
The court denied the writ petition challenging the Board of Public Works' termination of Full Circle Recycling's hauling contract, which implemented the City's multi-family residential recycling program.

Negotiated Settlements

Browning Ferris Industries v. City and Los Angeles County v. City
In two cases re: Sunshine Canyon Landfill, the City Attorney's Office assisted in negotiating an approximate $6.5 million annual financial benefit to the City for 10 years. As part of this, every year through June 30, 2016, BFI will contribute $2 million per year to the City's Alternative to Landfilling project. From 2016 through 2021, the contribution will be $2.5 million.

This class action settlement will resolve all class members' existing claims for statutory damages and injunctive relief to construct curb ramps within the City. It will also bar such future claims for 21 years. It is anticipated that the curb ramp construction will be funded by a small percentage the City receives from the Gas Tax and Measure R.

Cambridge Integrated Services
In this case, the City was sued for breach of contract for non-payment on a third party administrator contract for worker's compensation. The Business and Complex Litigation Unit achieved a $557,000 savings for the City by negotiating payment on an invoice from $757,000 to $200,000.
### Settlement Revenue Received FY 2010--11
#### Safe Neighborhoods and Gang Division

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<tr>
<th>Location</th>
<th>Amount</th>
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<tr>
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**Total** $205,285