

# CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA  
MAYOR

JUNE LAGMAY  
City Clerk

HOLLY L. WOLCOTT  
Executive Officer

When making inquiries relative to  
this matter, please refer to the  
Council File No.

Office of the  
CITY CLERK

Council and Public Services  
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Los Angeles, CA 90012  
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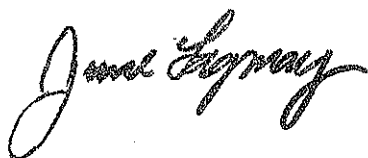
SHANNON HOPPE  
Council and Public Services  
Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

February 24, 2012

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council  
File No. 11-0600-S152, at its meeting held FEBRUARY 22, 2012.



City Clerk  
OS

Mayor's Time Stamp  
OFFICE OF THE  
RECEIVED  
2012 FEB 23 AM 10:29  
CITY OF LOS ANGELES

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CITY CLERK  
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DEPUTY

**FORTHWITH**

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 11-0600-S152

COUNCIL DISTRICT \_\_\_\_\_

COUNCIL APPROVAL DATE FEBRUARY 22, 2012

RE: THE MID-YEAR (THIRD) FINANCIAL STATUS REPORT AND THE ADDENDUM FOR FISCAL YEAR 2011-12

LAST DAY FOR MAYOR TO ACT MAR 05 2012  
(10 Day Charter requirement as per Charter Section 341)

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**DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY**

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APPROVED  


\*DISAPPROVED

\*Transmit objections in writing  
pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL FEB 23 2012

  
\_\_\_\_\_  
MAYOR

RECEIVED  
CITY CLERK'S OFFICE  
2012 FEB 24 AM 9:25  
BY \_\_\_\_\_  
CITY CLERK  
DEPUTY

TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your BUDGET AND FINANCE COMMITTEE

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to the Mid-Year (Third) Financial Status Report (FSR) and the Addendum for Fiscal Year 2011-12.

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

1. APPROVE the recommendations of the City Administrative Officer (CAO) contained in the Mid-Year (Third) FSR, dated February 9, 2012, attached to the Council file.
2. APPROVE the recommendations of the CAO contained in the Addendum to the 2011-12 Mid-Year FSR, dated February 13, 2012, attached to the Council file.
3. APPROVE revised Attachments 4 and 5 of the Mid-Year FSR submitted by the CAO for technical corrections to fund numbers and names, attached to the Committee report.
4. DELAY the appropriation of approximately \$1.3 million to reimburse the Los Angeles Police Department for additional costs in responding to the Occupy LA protest until all costs related to Occupy LA are known and reported (see Attachment 7 of the Mid-Year FSR).
5. DELAY the appropriations to the Department of Public Works, Bureau of Street Lighting to accelerate and increase funding for the Bureau's LED Streetlight Conversion program until a cost analysis report relative to the acceleration is submitted and reviewed by the Public Works Committee (see CAO recommendation no. 18 in the Mid-Year FSR).
6. TRANSFER \$200,000 from the Street Furniture Fund 43D/50, CD 7 as follows:
  - a. General City Purposes Fund 100/56, Community Services, CD 7 - \$50,000
  - b. Council Fund 100/28, Salaries As Needed Account No. 1070 - \$150,000
7. TRANSFER \$150,000 from the CLARTS Community Amenities Trust Fund 47S as follows:
  - a. General City Purposes Fund 100/56, Community Services, CD 14 - \$50,000
  - b. Council Fund 100/28, Salaries As Needed Account No. 1070 - \$100,000
8. TRANSFER \$150,000 from the CD 4 portion of AB1290 Fund 53P, Account G304 to Council Fund 100/28, Salaries As Needed Account No. 1070.

Fiscal Impact Statement: The CAO reports that in the Second FSR, a Citywide deficit of \$21.4 million was reported with the implementation of solutions proposed within the report. At this time, the Citywide deficit has been eliminated with the implementation of Department Operational Plans and the identification of surpluses in funds and accounts. Transfers,

appropriations and other adjustments totaling approximately \$135.9 million are recommended in Sections 1 and 2 of the Mid-Year FSR.

Further, the CAO reports that approval of the actions in the Addendum report will reduce the available balance within the UB, Reserve for Economic Uncertainty by \$1.3 million to \$9.2 million. Additionally, these actions will reduce the remaining surplus identified to address potential revenue declines by \$1.3 million to \$2.90 million.

Community Impact Statement: None submitted.

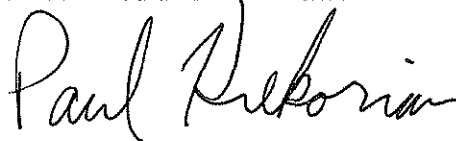
SUMMARY

At its meeting of February 13, 2012, the Budget and Finance Committee considered two CAO reports; the Mid-Year (Third) FSR and an Addendum to the Mid-Year FSR. The CAO reports that the Mid-Year FSR provides an update on the current-year budget including the projected departmental deficits, trends in revenues, the Reserve Fund, and current issues of concern and their potential impact to the City. Additionally, the CAO reports that the Addendum to the Mid-Year FSR includes recommendations for technical corrections and modifications to transfers recommended in the Mid-Year report, as well as new recommendations for requests received after the release of the report. Recommendations include transfers of General Fund money set aside for retiree payouts to the Reserve for Economic Uncertainty to offset the previously reported deficit; appropriations to Departments and Funds from this reserve to partially address reported shortfalls; and other actions to realize additional General Fund savings. The CAO reports that approval of these report recommendations will eliminate the projected Citywide deficit. The CAO cautions, however, that the City budget may continue to experience unforeseen expenditure pressures over the remainder of the fiscal year and should continue to comply with the austerity measures it has implemented.

During Committee consideration, the CAO presented an overview of the two reports and responded to related questions from Committee members. Department representatives responded to questions relative to their respective departments. A City Attorney representative presented his department's written request to the Committee that surplus funds remain within the Office of the City Attorney. After further discussion and an opportunity for public comment, the Committee recommended to approve the CAO recommendations contained in the Mid-Year FSR dated February 9, 2012, the Addendum dated February 13, 2012 and the additional amendments and instructions as reflected above. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	YES
CARDENAS:	ABSENT
ROSENDAHL:	YES
KORETZ:	YES

**ADOPTED**

FEB 22 2012

**LOS ANGELES CITY COUNCIL**

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Attachments  
11-0600-S152\_rpt\_bfc\_2-15-12

**-Not Official Until Council Acts-**

**TO THE MAYOR FORTHWITH**