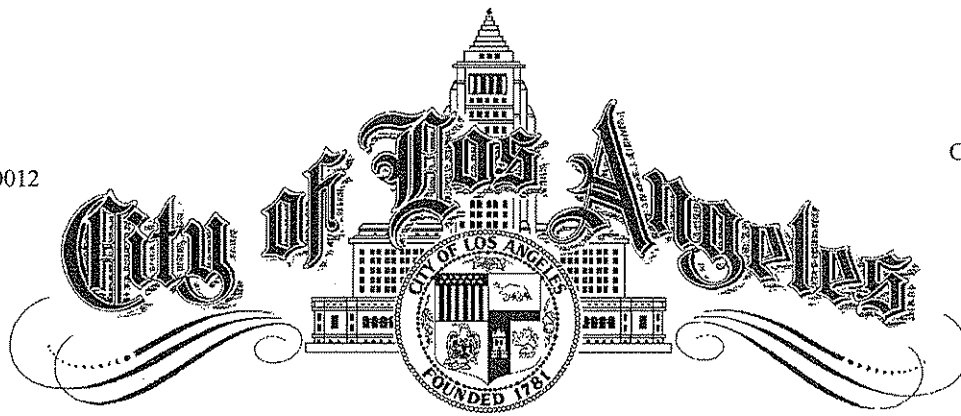


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**CARMEN A. TRUTANICH**  
City Attorney

April 24, 2012

Honorable Paul Krekorian  
Chair, Budget and Finance Committee  
Honorable Members of Budget and Finance Committee  
Los Angeles City Council  
c/o Erika Pulst  
Room 395, City Hall  
Los Angeles, CA 90012

Re: City Attorney's Comments on Mayor's Proposed Budget FY 2012/13

Dear Honorable Chairman Krekorian and Members of the Budget and Finance Committee:

The City Attorney's Office has reviewed the Mayor's Proposed Budget for FY 2012/13, and very much appreciates that the Mayor has not recommended any employee layoffs for this Office. During the months leading up to the release of the Mayor's Proposed Budget, this Office worked closely and cooperatively with the Mayor's Budget Team, who were all sympathetic and responsive to the concerns, issues and resource needs raised by this Office. Given the continuing serious economic challenges facing the City, this Office believes that the Mayor's Proposed Budget accurately reflects this Office's issues and concerns, and strikes a balance between our current resource needs and those of other City departments, including others providing public safety services to the City's residents.

Obviously, while this Office is understandably frustrated with the need for continued employee furloughs, the imposition of any layoffs would create a far more significant negative impact that would materially impair the ability of this Office to perform both our public safety and financial protection/risk management duties mandated under the City Charter. Unfortunately, at this time, given the current financial condition of the City, in order to prevent any employee layoffs from this Office, we view the continued imposition of furloughs for our dedicated employees as an unavoidable burden.

Honorable Paul Krekorian  
Chair, Budget and Finance Committee  
April 24, 2012  
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However, as discussed with the Mayor's Budget Team, we welcome the opportunity to discuss several cost-saving and revenue-generating measures that have the potential to increase the General Fund and mitigate or offset any impacts caused by the imposition of our employee furloughs. We therefore look forward to an informative exchange of views on these measures in the upcoming budget hearings before both your Committee and the full City Council.

In regard to the \$3 million in outside counsel funds allocated in the proposed Budget, we believe that the proposed amount is under-funded by \$1 million. Although the trend in this Office has been to significantly reduce the use and cost of outside counsel (from over \$25 million in FY 2008/09 to approximately \$8 million in FY 2010/11), the continued loss of experienced civil trial attorneys and municipal counsel, has required this Office to strategically utilize outside counsel expertise on specialized projects and litigation, such as complex tax, class action, employment and proprietary department lawsuits. For example, since July 2009, as a result of ERIP and attrition, this Office has lost over 150 prosecutors, trial attorneys, investigators and support staff. Moreover, the imposition of furloughs equates to an additional annual loss of over 55 full-time attorneys. As a result of these reduced staffing levels, in order to adequately represent our clients and defend the City's treasury, this Office must continue to use outside counsel on the more complex and burdensome cases, where requisite in-house expertise and staffing levels are not yet available.

We are available to discuss any and all of these issues with the members of the Committee. On behalf of the professional and hard-working employees of this Office, who provide necessary and essential public safety and financial protection/risk management services to the City and its residents, we thank you for your consideration of our issues and suggestions.

Very truly yours,

CARMEN A. TRUTANICH, City Attorney

By   
WILLIAM W. CARTER  
Chief Deputy City Attorney

cc: Antonio Villaraigosa, Mayor  
Herb Wesson, President, City Council  
Miguel Santana, CAO  
Gerry Miller, CLA