

City of Los Angeles  
CALIFORNIA

OFFICE OF THE  
CITY CLERK

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ERIC GARCETTI  
MAYOR

April 18, 2014

Honorable Members of the Budget and Finance Committee  
c/o Erika Pulst, Office of the City Clerk  
Room 395, City Hall  
Los Angeles, California 90012

**SUBJECT: OFFICE OF THE CITY CLERK - PROPOSED FISCAL YEAR 2014-15 BUDGET ALLOCATION**

Honorable Members:

In accordance with the Budget and Finance Committee Chair's request of April 3, 2014, the Office of the City Clerk is providing the following impact statement regarding the Department's budget allocation as presented in the Mayor's Proposed Fiscal Year (FY) 2014-15 Budget. The majority of City Clerk operations are mandatory functions required by the City Charter and the Los Angeles City Election, Municipal, and Administrative Codes. The Mayor's Proposed Budget provides funding for the continuation of these core services. Presented below are policy decisions required for the Elections and Business Improvement District Programs.

**ELECTIONS**

The Mayor's Budget includes the one-time funding of \$16 million to conduct the 2015 Primary Nominating and General Municipal Elections for seven even-numbered Council Districts, four odd-numbered board seats for the Los Angeles Unified School District (LAUSD), and four odd-numbered board seats for the Los Angeles Community College District (LACCD). This is a reduction of approximately \$1 million of the election base budget requested. Excluded from the appropriation is the funding requested to administer the newly enacted Matching Funds Program, additional language services, and the Media Enhancement Program without which, these programs and services cannot be provided. Additionally, this appropriation does not include any funds required for the LAUSD Special Seat 1 Election or any new measures that would be consolidated on the County's November 2014 General Election.

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Elections – Matching Funds Program - \$170,929

Candidates filing nominating petitions who wish to qualify for the Matching Funds Program, must submit 1,000 valid petition signatures to meet the requirements, which is twice the 500 signatures required for petitioners who pay a filing fee. It is estimated that 80% of all petitioners for City offices will take advantage of the program, thereby nearly doubling the task of verifying signatures within the same legal deadline of 10 days after the close of candidate filing. A second shift during this period is estimated to cost \$170,929. However, it should be noted that the Ethics Commission took action to repeal the signature requirement for the Matching Funds Program. If the Mayor and City Council adopt the Ethics Commission recommendations, these funds will not be required.

Elections – Additional Language Services - \$491,125

In August 2012, the City Council requested that the City Clerk add Armenian language services on a limited basis for the 2013 Municipal Elections and then to add the full range of Armenian language services to the 2015 Municipal Elections. The City Clerk was later also instructed to include Russian and Farsi language services as part of the FY 2014-15 budget. An additional appropriation of \$491,125 is required for the City Clerk to provide language services in Armenian, Russian and Farsi for the 2015 Municipal Elections. If funded, these languages will be added to the already Federally-mandated languages supported by the Election Division including: Chinese, Hindi, Japanese, Korean, Spanish, Tagalog, Thai, and Vietnamese. The bulk of these expenses include the translation, preparation, printing and mailing of non-English Official Sample Ballot/Voter Information Pamphlets and Translated Official Sample Ballots.

Outreach - Media Enhancement Program - \$91,130

An additional appropriation of \$91,130 is required for the purpose of augmenting the City Clerk media strategy for the 2015 Municipal Elections. The added funding will enable the purchase of ad space on digital billboards and bus shelters, display street banners, and air time on radio and cable television. This add-package is in response to the findings in the City Clerk's report in Council File 10-1649-S1 relative to increasing voter turnout through alternative voting methods. The report found that investing in voter outreach, education, accessibility, and registration services could boost turnout levels.

Elections – November 2014 Ballot Measures - \$4.4 million

This is a reminder that funds for any ballot measures for the November 2014 Election are not included in the Proposed Budget. Additionally any funds required for a Special Election outside of scheduled elections would need to be funded at the time the election is called. An appropriation in the amount of \$4,400,000 (\$3,700,000 for County's costs and \$700,000 for the City's Voter Information Pamphlet) will be required to fund the first ballot measure consolidated on the November 2014 ballot. Each additional measure would cost \$400,000. Also, an Initiative petition has been submitted to establish a new Health Commission for the City of Los Angeles. If the petition is found sufficient, the City Council can adopt the ordinance or place a ballot measure on the County's General Election on November 4, 2014.

**Elections – LAUSD Special Vacancy Election - \$468,809 - \$947,107**

The current estimated cost for the Special Election for the Board District 1 vacancy is \$1,828,916 for both the Primary and Runoff Elections. Given the number of candidates currently in the race, a run-off is expected. The total cost of the primary is expected to be \$881,809. Of this amount, the City Clerk received an allocation in FY 2013-14 for \$413,000. The remaining balance of \$468,809 is required to pay for County costs, which will be billed in FY 2014-15. This balance, in addition to the projected General Election runoff costs of \$947,107, totaling \$1,415,916, is required in FY 2014-15 for this Special Election. As required by Charter Section 410(b), LAUSD will reimburse the City of Los Angeles for all costs associated with conducting their Special Elections.

**BUSINESS IMPROVEMENT DISTRICT PROGRAM (BID)**

The Mayor's Budget includes the transfer of eleven positions responsible for the administration of the City's BID Program from the Economic Workforce Development Department (EWDD) to the City Clerk to avoid additional General Fund costs associated with tenant improvements, relocation costs, and an ongoing lease. As the Office of the City Clerk has administered this program since its inception, no issues are anticipated at this time with the exception of the needed restoration of two new positions and reallocation of an existing position approved by Council on an interim basis in FY 2013-14, and the appropriation of funding necessary to pay general benefit assessments for City properties located within the boundaries of existing BIDs.

**BID – Restoration of Positions - \$172,263**

Regular authorities for one Management Analyst II and one Accounting Clerk II, and the reallocation of one Senior Management Analyst II to a Chief Management Analyst were approved by Council on December 18, 2013 (Council File 13-0600-S25) for the BID Program to move to the EWDD. Allocation of these positions is currently being addressed by the Personnel Department and the City Administrative Officer. However, the Proposed Budget does not include the funding and authority for these positions. While the program is remaining with the City Clerk, currently only two Management Analysts are allocated for this very heavy workload. The Management Analyst II and Accounting Clerk positions should be restored to assist with the administration of 42 BIDs and outreach to potential new BIDs. As the City is striving for more economic development, the BID Program is a key economic development tool. Restoration of these positions to the City Clerk will enable the proper administration of this program.

**BID – Funding of General Benefit Obligations - \$232,871**

The Mayor's Proposed Budget provides \$1,060,571 in the BID Trust Fund 659 for BID assessments of City property included within the boundary of each BID, but does not include an allocation of funds for general benefits derived from various BIDs throughout the City. There are sufficient funds in the account for the payment of the 2013-14 obligation, however, no funds were provided for FY 2014-15. An allocation may be required later in the fiscal year to pay the mandatory general benefit assessments.

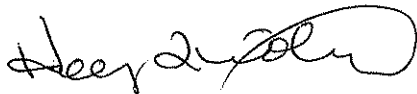
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**CONCLUSION**

While the 37% overall decrease in City Clerk staff over the past five fiscal years (from 156 to 99 positions) has impacted the way services are provided by the City Clerk, I remain committed to streamlining and providing the best possible service. I would like to personally thank the Mayor, Council leadership, the Budget and Finance Committee Chair and Members, Council Members, City Administrative Officer, and the Chief Legislative Analyst and their staff for working with us through this process.

Please do not hesitate to contact me directly with any questions at 213-978-1023 or at [holly.wolcott@lacity.org](mailto:holly.wolcott@lacity.org).

Sincerely,



HOLLY L. WOLCOTT  
Interim City Clerk

HLW/GRR:gmp:amm

EXE-008-14