

**CITY OF LOS ANGELES**  
CALIFORNIA

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April 21, 2017

Honorable Paul Krekorian, Chair  
Budget and Finance Committee  
Attention: Richard Williams, Office of the City Clerk  
200 North Spring Street, Room 395, City Hall  
Los Angeles, CA 90012

**RE: LOS ANGELES DEPARTMENT OF TRANSPORTATION PROPOSED BUDGET FOR FISCAL YEAR 2017-18**

Honorable Members:

Thank you for the opportunity to provide a response to the Mayor's Proposed Budget for Fiscal Year 2017-2018. The Los Angeles Department of Transportation (LADOT) recognizes the complex social and financial challenges facing the City and supports the Mayor's vision.

In the current fiscal year, LADOT has launched several important initiatives improving transportation infrastructure and mobility options in the City. Specifically, LADOT launched the Vision Zero Media Campaign and Action Plan with the goal of reducing traffic deaths to zero by 2025. LADOT also introduced its Transportation Technology Strategy: *Urban Mobility in a Digital Age* which provides the framework for LADOT to use data to achieve mobility and infrastructure changes that improve transportation experiences in the City while preparing for the arrival of autonomous vehicles and transit. Finally, we have continued our focus on neighborhood services with the launch of the speed hump program. The Mayor's Proposed Budget provides resources allowing LADOT to continue this trajectory and achieve the objectives of our strategic plan.

In addition to the Department's proposed operating budget, LADOT administers several special funds that include Proposition A, Proposition C, Measure R, and the Special Parking Revenue Fund. These funds are critical in allowing the Department to continue achieving specific goals relative to those funds.

**Department of Transportation 2017-18 Proposed Budget Summary**

The 2017-18 proposed operating budget decreases the Department's total appropriations from \$160.1 million to \$158.4 million, a decrease of \$1.7 million or 1.07 percent. Despite the decrease in appropriations, the Proposed Budget increases the total number of authorized positions from 1,548 to

1,616 (68 positions). With these additional resources, the Department plans to accomplish the following objectives:

- Coordinate and implement projects that prioritize safety and account for human error for the City's Vision Zero Initiative to reduce the number of traffic injuries and fatalities;
- Implement new projects and policies around shared mobility outlined in the Transportation Technology Strategy to improve mobility options and reduce traffic congestion;
- Continue to support Metro regional projects, and begin support for new regional projects approved by the voters through Measure M;
- Implement Phase I of the expansion of transit services.


**The Department has the following observations about its FY 2017-18 Proposed Budget:**

A reduction of over \$1 million to the General Fund salary account may adversely affect the hiring of key positions. Over 75 percent of the Department's General Fund salary account is provided for parking enforcement and traffic control services. A reduction of this size may require the Department to scale back services. However, the Department will monitor salary expenditures and report on the status through the Financial Status Reports.

A reduction of over \$1 million to the General Fund overtime account (\$300,000) and expense accounts (\$700,000) will adversely affect LADOT's ability to staff special events and provide emergency or on-call field operations. Each year, the Department absorbs over \$2 million in unfunded General Fund overtime costs by under-hiring and creating savings in expense accounts. With limited opportunities to achieve natural savings due to these reductions, the Department may be required to curtail services. LADOT will monitor expenditures and report on the status through the Financial Status Reports.

Thank you for your on-going support and consideration of this proposed budget. My staff and I are available to answer any questions or provide additional information as requested.

Sincerely,



Seleta J. Reynolds  
General Manager

c: Matt Szabo, Office of the Mayor  
Barbara Romero, Office of the Mayor  
John Chavez, Office of the Mayor  
Sharon Tso, Office of the Chief Legislative Analyst  
Richard H. Lewellyn, Office of the City Administrative Officer