

BUDGET AND FINANCE COMMITTEE REPORT relative to recommended solutions for police sworn overtime expenditures, sworn overtime budgeting, and bridge housing site security resources.

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

1. AUTHORIZE a Reserve Fund loan in the amount of \$1,299,699 to the Los Angeles Police Department (LAPD); TRANSFER \$1,299,699 from the Reserve Fund to the Unappropriated Balance; and, APPROPRIATE therefrom to the Police Fund No. 100/70 Account No. 001092, Sworn Overtime, to be repaid by the LAPD upon receipt of Los Angeles County Metropolitan Transportation Authority contractual reimbursements in 2018-19 and 2019-20.
2. AUTHORIZE a Reserve Fund loan in the amount of \$8,014,962 to the LAPD; TRANSFER \$8,014,962 from the Reserve Fund to the Unappropriated Balance; and, APPROPRIATE therefrom to the Police Fund No. 100/70 Account No. 001092, Sworn Overtime, to be repaid by the LAPD upon receipt of special event, LA Rams Football, University of Southern California security services, and other reimbursements in 2018-19 and 2019-20.
3. INSTRUCT the LAPD and the Department of Public Works, Bureau of Street Services to expedite the exchange and processing of final invoice data for special events and LA Rams Football security services expenditures in order to repay the Reserve Fund of \$8,014,962 for reimbursable overtime expense.
4. APPROPRIATE \$5,000,000 from the Unappropriated Balance Fund No. 100/58 Account No. 580273, Various Programs and Services - Contingent Revenue, to the LAPD, to Police Fund No. 100/70 Overtime Sworn Account No. 001092, Sworn Overtime.
5. APPROPRIATE \$13,377,142 from the Unappropriated Balance, Fund No. 100/58, Account No. 580196, Reserve for Mid-Year Adjustments to Account No. 001092, Sworn Overtime within Police Fund No. 100/70.

Fiscal Impact Statement: The Sworn Overtime Task Force (comprised of the Mayor's Office, the CAO, the CLA, and the LAPD) reports the recommendations above will authorize two Reserve Fund loans to the LAPD in the amount of \$1.3 million for Los Angeles County Metropolitan Transportation Authority (LACMTA) related expenses and \$8.01 million for other reimbursable expenses; the loans will be repaid in 2018-19 and 2019-20 with reimbursements from LACMTA, special event sponsors, governmental agencies operating reimbursed Task Forces, and other sources. Approval of the recommendations will reduce the Reserve Fund to 5.61 percent (\$347.0 million), and appropriate \$5.0 million from the Unappropriated Balance, Various Programs and Services - Contingent Revenue and \$13.38 million from the Unappropriated Balance, Reserve for Mid-Year Adjustments to the LAPD for other non-reimbursable overtime expenses. The recommendation to use funds within the Unappropriated Balance, Various Programs and Services - Contingent Revenue may impact the Reserve Fund if cannabis revenues in 2018-19 do not meet the level approved in the Adopted Budget. The recommendation to use funds within the Unappropriated Balance, Reserve for Mid-Year

Adjustments may also impact the Reserve Fund since less funds will be available to address Citywide projected over-expenditures in the Mid-Year and Year-End Financial Status Reports.

Community Impact Statement: None submitted.

SUMMARY

At its regular meeting held on March 4, 2019, the Budget and Finance Committee considered a report from the Sworn Overtime Task Force. The Chief of Police and representatives from the CAO presented the report and answered the Committee's questions regarding the recommended solution for police sworn overtime expenditures, sworn overtime budgeting, and bridge housing site security resources.

During consideration, the Chief of Police and a representative from the CAO provided the Committee an overview of the report including LAPD's plan to address the sworn overtime over expenditures. Additionally, The Chief of Police and the CAO representative addressed the committee's questions regarding civilian hiring and LAPD's resource management outlined in the Sworn Overtime Task Force report. The Chief of Police stated the ongoing and inherited issues regarding sworn overtime are being addressed through the recommendations in the accompanying report and the Mid-year Financial Status Report (attached to Council File No. 18-0600-S164).

After providing an opportunity for public comment, the Committee recommended that Council adopt the recommendations in the Sworn Overtime Task Force report dated February 27, 2019. This matter is now forwarded to Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN	YES
PRICE	YES
KORETZ	YES
BONIN	YES
BLUMENFIELD	YES

AC 19-0219 3-4-19

-NOT OFFICIAL UNTIL COUNCIL ACTS-