

## REPORT FROM

### OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: October 24, 2019

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Council District: All

To: Eric Garcetti, Mayor  
Herb J. Wesson, Council President  
Paul Krekorian, Chair, Budget and Finance Committee

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: 2019-20 Budget

Subject: **FIRST FINANCIAL STATUS REPORT**

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#### SUMMARY

This Office is transmitting the First Financial Status Report (FSR) for this fiscal year. This report summarizes the close-out of the 2018-19 budget and provides an update on the current-year budget—including projected department over-expenditures, trends in revenue, the Reserve Fund, and current issues of concern and their potential impact on the City. This report contains recommendations totaling approximately \$114.68 million for appropriations, transfers, and other budgetary adjustments.

This Office has identified \$148.93 million in projected overspending in the current year mainly due to additional salary obligations pursuant to various new labor agreements. While these unfunded obligations are a challenge to manage, with fiscal prudence and healthy reserves, we anticipate that we will be able to fully address this overspending by the year-end. Specifically, some of this amount will be partially offset by special funds and the Unappropriated Balance, Reserve for Mid-Year Adjustments. Departments are also expected to manage within existing funds and through spending restraint. Finally, even though the City's Reserve Fund is at 6.38 percent, we recommend against using the Reserve Fund to fund new programs, program expansions, and service restorations at this time in light of the financial risks ahead.

In addition to current year overspending, this report highlights additional pressures on the City budget that will need to be managed in the years ahead. In the Four-Year Outlook Section of this report we recognize some of these challenges impacting the expenditure and revenue assumptions including the manifestation of several indicators of a slowing economy (e.g. drops in sales of previously owned homes and manufacturing activity). As many economists have projected that a recession will begin at some point in the next two years,<sup>1</sup> the City must prepare for these uncertain times by staying within budget and maintaining a healthy reserve. Therefore, this Office

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<sup>1</sup> "Economic Forecasting Survey." *Wall Street Journal*. Retrieved October 22, 2019.

recommends a plan to prepare for the future to position departments to gradually, and in a controlled manner, curtail spending with minimum impact to service levels. This is the first step towards making structural changes to address these fiscal challenges in future budgets.

## **General Fund Revenue**

### *Key Findings/Recommendations*

- *Final 2018-19 General Fund receipts were \$6.27 billion, \$31.8 million above the revised budget and \$46.3 million (0.7 percent) above the adopted mainly due to higher property, business, and sales taxes.*
- *Based on our review of revenue data through September, 2019-20 revenue is at \$46.6 million above planned receipts. Excluding interest earnings owed to special funds, this amount is \$25.1 million.*
- *With only three months of revenue data, it is too early to project year-end revenue. Current year property tax receipts only represent 4 percent of the property tax budget and the first remittance of secured receipts for the next property tax year will not occur until December 2019. Further, more than 90 percent of business tax receipts are received after January 1.*
- *Known revenue issues include:*
  - *Utility users tax revenue faces downward pressure across all categories (electric users, gas users and communication users) due to market forces and litigation. Gas users tax adopted revenue assumes reduced receipts resulting from the pending settlement of Lavinsky v. City of Los Angeles. The impact to actual receipts may differ.*
  - *Transient occupancy tax adopted revenue from short-term rentals assume reduced receipts with the implementation of the home-sharing policy. The impact to actual receipts may differ. Revenue in this category requires the renewal of tax collection agreements with short-term rental websites, for which the current agreement with Airbnb has expired.*

### 2018-19 Revised Revenue

The 2018-19 Adopted Budget assumed approximately \$6.19 billion in General Fund revenue. During consideration of the 2019-20 budget, this revenue projection was subsequently increased by \$14.5 million (0.2 percent) to approximately \$6.21 billion. As reported by the Controller's Preliminary Financial Report for 2018-19 actual revenues were \$6.24 billion. The 2018-19 adopted budget, revised estimates, and actual receipts are summarized in Attachment 1A, with details on specific revenue surpluses and shortfalls.

### 2019-20 Adopted Revenue

The 2019-20 Adopted Budget is \$6.57 billion representing revenue growth of \$332.9 million from



the prior year's actual revenue (or 5.3 percent). To date, total 2019-20 revenue through September is \$911.4 million, representing 13.9 percent of total adopted General Fund revenue.

Revenue is \$46.6 million above planned receipts of \$869.0 million due to higher receipts in business, sales, documentary transfer and transient occupancy taxes, department receipts, parking fines, and interest earnings. These surpluses are offset by shortfalls in utility users tax and property taxes. The 2019-20 adopted budget, planned revenue and actual receipts are summarized in Attachment 1B, with details on specific revenue surpluses and shortfalls discussed below.

**Departmental receipts:** Revenue from licenses, permits, fees, and fines and related cost reimbursements through September is \$198.2 million, which is approximately \$17.3 million above plan. The surplus is attributed to earlier-than-planned reimbursements for the Police Department LACMTA contract and Fire Department ambulance and emergency services, as well as unanticipated State mandate reimbursements. These surpluses are offset mainly by lower than anticipated special fund related cost and other reimbursements.

**Documentary transfer tax:** Receipts through September have improved from the previous year as a result of increasing home prices, and are currently \$7.2 million above plan. Sales volume continues to drop, and the anticipated rebound in the housing market due to lower mortgage interest rates has not been realized.

**Business, sales and transient occupancy taxes:** Combined receipts are \$6.6 million above plan (\$1.7 million, \$1.8 million and \$3.1 million, respectively). More than 90 percent of business tax receipts are received after January 1, with the start of the next tax filing period.

**Parking fines:** Parking fine receipts are currently \$2.3 million above plan, or 4 percent above prior-year receipts through September.

**Utility user tax:** Total revenue is \$5.6 million below plan, due to shortfalls in EUT and communication users tax (CUT) remittances of \$3.2 million and \$3.4 million, respectively. Additionally, there are downside risks for all components of UUT due to lower consumer demand and pending litigation.

**Property tax:** Total revenue is \$2.0 million below plan, due to delayed miscellaneous property tax receipts. Receipts in secured, unsecured and supplemental receipts are above planned receipts through September.

Any deviations from planned revenue receipts are reported in FSRs along with deviations in the appropriations budget. Surpluses or deficits that are projected for year-end are typically addressed during the development of the following fiscal year's budget, at which time revenue estimates are revised. Revenue estimates, however, may be revised at mid-year if a significant shortfall that requires immediate budget action is projected.

## Expenditures

### Key Findings/Recommendations

- *This Office has identified approximately \$148.93 million in projected overspending and unfunded items across various departments and funds.*
- *The recommendations in this FSR address \$1.36 million of this overspending leaving \$147.57 million to be addressed.*
- *This Office has identified potential future actions that, if taken, could address an additional \$36.50 million leaving \$111.07 million with no identified solutions at this time. To the extent possible, departments will be required to absorb or manage unfunded costs within existing funds.*

Based on expenditure data through the end of August, this Office has identified approximately \$148.93 million in projected overspending and unfunded items across various departments and funds. This amount is largely attributed to the new sworn and civilian labor agreements that were not budgeted in the current year. Not including this funding is consistent with the City's practice of not budgeting for pending labor agreements in light of the significant uncertainty with how negotiations will conclude. The agreements have not been fully implemented in the City's payroll system. Therefore, while we were able to determine the impact by department for the standard salary adjustments, at this time we cannot determine the departmental impact from all special salary adjustments or the impact of the conversion from a 15-step salary structure to a 12-step salary structure for various civilian Memoranda of Understanding (MOUs). We did calculate and include a \$43 million estimated impact Citywide from these special salary adjustments in our overall overspending amount of \$148.93 million. Further, the impact of the labor agreements on the as-needed and overtime salary accounts is only partially included in the departmental expenditure projections as the fiscal impact is unknown for many departments at this time. Once the labor agreements are fully implemented in the payroll system, this Office will be able to more accurately calculate the cumulative year-end impact by department. We expect to be able to provide these impacts in the Mid-Year FSR.

The year-end expenditure imbalance is detailed in Table 1 to follow and is mostly attributed to the following categories:

- Projected overspending of \$47.98 million in the Police Department primarily due to new sworn and civilian labor agreements.
- Unfunded costs of up to \$43.00 million from the special items in new labor agreements not currently included in department expenditure projections. Some of this amount will be offset by special funds and absorbed within departments' current appropriations

- Projected overspending of \$26.05 million in the Fire Department due to unbudgeted salary adjustments from new sworn labor agreements (\$18.85 million) and overspending in the Overtime General, Overtime Sworn, Overtime Constant Staffing, Contractual Services, and Field Equipment Expense accounts (\$7.20 million).
- Projected overspending of \$15.60 million in the Human Resources Benefits Fund due to increased workers' compensation costs (\$10 million) and increased employer contributions for health care as included in the new labor agreements (\$5.6 million).
- Approximately \$11.30 million in unfunded costs attributed to the March 2020 Election and the Ardon settlement related to the Utilities Users Tax.

(See Table 1 on next page)

<b>Table 1. First FSR Projected Overspending/Unfunded Expenditures (in Millions)</b>		
<b>Department/ Initiative</b>	<b>First FSR</b>	<b>Reason</b>
Police	\$47.98	Salary adjustments from new sworn and civilian labor agreements.
Fire	26.05	Salary adjustments from new sworn labor agreements and overspending in the Overtime General, Overtime Sworn, Overtime Constant Staffing, Contractual Services, and Field Equipment Expense accounts.
Personnel	1.30	Salaries As-Needed and Training Expense accounts.
Animal Services	0.40	Overspending in the Salaries As-Needed, Salaries Overtime, and Contractual Services accounts.
Public Works-Board	0.35	Salary adjustments from new civilian labor agreements and unbudgeted retirement payouts.
Public Works-Sanitation	0.21	Inadvertent release of prior-year General Fund encumbrances related to homeless clean ups.
Neighborhood Empowerment	0.16	Overspending in expense accounts; and, less than expected beginning cash balance in the DONE Fund.
Employee Relations Board	0.01	One-time salary payout costs and costs associated with the retirement and hiring of a staff position.
<b>Non-Departmental</b>		
Labor Specials and Step Salary Structure Changes	43.00	Estimated maximum fiscal impact of special items in new labor agreements and step salary structure changes.
Human Resources Benefits	15.60	Increased workers' compensation costs and increased employer contributions for health care as included in new labor agreements.
March Election	6.30	County's election cost estimate exceeds budgeted amount.
Ardon Settlement	5.00	Final claims and settlement costs.
General City Purposes	2.57	Overspending projected in payroll accounts.
<b>Total Year-End Overspending</b>	<b>\$148.93</b>	

### *Impact of Labor Agreements*

At the time of the adoption of the 2019-20 budget, most of the City's labor contracts had expired or were about to expire. Of the pending agreements, only the one with bargaining units represented by the Coalition of Los Angeles City Unions (Coalition) was close enough to approval to be included in the 2019-20 Adopted Budget. Thus, salary funding for the Coalition as well as adjustments associated with the "me too" provisions in other civilian MOUs resulting from the Coalition agreement were included in the budget. The budget, however, does not include funding for other recently approved labor agreements or any future agreements that are pending negotiation. Not



including this funding is consistent with the City's practice of not budgeting for pending labor agreements in light of the significant uncertainty with how negotiations will conclude.

Specifically, the budget does not include funding for recently approved agreements with various labor groups noted below. As a result, this Office anticipates that there will be significant overspending in the accounts impacted by these labor agreements as previously noted in Table 1. To the extent possible, departments will be required to absorb or manage these costs within existing funds.

- Engineers and Architects Association (EAA) (MOUs 01, 19, 20, and 21),
- Los Angeles Police Protective League (MOU 24),
- Los Angeles Police Command Officers Association (MOU 25),
- Confidential Attorneys Unit (MOU 31), City Attorney Management Unit (MOU 32),
- Los Angeles Fire Department Chief Officers Association (MOU 22),
- United Firefighters of Los Angeles City (MOU 23),
- Fiscal and Policy Professionals Association (FPPA) (MOU 61); and,
- Non-Represented Employees (Non-Rep).

The departmental expenditure projections in the Discussion Section of this FSR include salary adjustments for Coalition, EAA, Non-Rep, FPPA, and Fire and Police Sworn MOUs, with some exceptions.

The City is currently negotiating with the Municipal Construction Inspectors Association (MOU 5) and City Attorneys (MOU 29). Should the City reach agreements with these units in the current fiscal year, the resulting agreements may have a fiscal impact on the current fiscal year in amounts unknown at this time. Our office will continue to monitor the fiscal impact of these agreements and report in future reports as more information is available.

#### *Current Year Budget Balancing*

As noted in Table 2 below, the recommendations in this report are expected to slightly reduce the year-end overspending from \$148.93 million to \$147.57 million. In addition, potential future actions totaling \$36.50 million may further reduce the year-end imbalance to \$111.07 million. We anticipate that some of this amount will be further offset by special funds. To the extent possible, departments will be required to absorb or manage remaining costs within existing funds. Absent these actions, a Reserve Fund appropriation may be required.

(See Table 2 on next page.)

Table 2. 2019-20 Budget Balancing Solutions (Millions)		
<b>First FSR Over-Expenditures</b>	<b>\$ (148.93)</b>	
<b>First FSR Recommendations</b>		
UB, Mutual Aid Overtime	\$1.36	Transfer to Fire Department
<b>Subtotal</b>	<b>\$ (147.57)</b>	
<b>Potential Future Actions</b>		
UB, Reserve for Mid-Year Adjustments	35.00	Transfer to partially offset Citywide overspending
UB, Mutual Aid Overtime	1.50	Transfer to Fire Department
<b>Year-End Problem</b>	<b>\$ (111.07)</b>	

## City Reserves

### Key Findings/Recommendations

- The City maintains budgetary reserves designed to help manage its risks and ensure sufficient resources to meet contingencies. The City's reserves total approximately \$569.2 million or 8.66 percent of the total 2019-20 Adopted General Fund Budget. This report does not recommend any transfers or adjustments to these reserves.

Table 3. Total City Reserves			
Reserves	Balance (In Millions)	%	Purpose
UB, 2019-20 Reserve for Mid-Year Adjustments account	\$ 35.0	0.53	Available to address shortfalls that may arise throughout the year.
Reserve Fund	419.4	6.38	Preserved for the most critical needs and matters of urgent economic necessity and are not to be used for ongoing expenses.
Budget Stabilization Fund	114.8	1.75	Restricted for the maintenance of service levels during years of slow growth and declining revenue.
<b>Total Reserves</b>	<b>\$ 569.2</b>	<b>8.66%</b>	

## Unappropriated Balance, 2019-20 Reserve for Mid-Year Adjustments

The 2019-20 Adopted Budget includes \$35.0 million in the UB, Reserve for Mid-Year Adjustments account. This account is to be used prior to the other reserves. No transfers are recommended at time.

## Reserve Fund

According to the Office of the Controller, the preliminary June 30, 2019, Reserve Fund cash balance was approximately \$525.6 million. After the return of short-term loans made by the Controller at year-end, adjustments initiated in the prior year, and transfers/appropriations included in the 2019-20 Adopted Budget, the July 1, 2019 Available Balance was approximately \$407.3 million (see Table 4 below). This represented 6.20 percent of the General Fund Budget and was approximately \$3.1 million less than the Adopted Budget of \$410.4 million.

<b>Table 4.</b> <b>2019-20 Reserve Fund Available Balance as of July 1, 2020</b> <b>(millions)</b>			
	Budget	Actual	Difference
Cash Balance, June 30*	\$515.3	\$525.6	\$10.3
Other Adjustments	(105.5)	(118.9)	13.4
Transfer to Budget Stabilization Fund	(7.0)	(7.0)	-
General Fund Appropriation to Reserve Fund	7.6	7.6	-
<b>July 1 Available Balance</b>	<b>\$410.4</b>	<b>\$407.3</b>	<b>(\$3.1)</b>
Emergency Account	\$180.7	\$180.7	-
Contingency Account	229.7	226.6	(\$3.1)
<b>Reserve Fund as Percent of General Fund</b>	<b>6.25%</b>	<b>6.20%</b>	<b>(0.05%)</b>

\*Reflects \$218.1 million in year-end reversions as detailed in Attachment 2.

Accounting for transactions approved since July 1 and those recommended in this report, the Reserve Fund balance is approximately \$419.4 million, which consists of \$180.7 million in Emergency Reserve and \$238.8 million in Contingency Reserve. This balance represents 6.38 percent of the General Fund budget, which is above the 5 percent Reserve Fund policy. This report presents current year anticipated overspending and revenue risks that may require the use of the Reserve Fund if other solutions are not identified. In light of these potential negative impacts to the General Fund, this Office recommends maintaining a cautious approach with the Reserve Fund. Specifically, the City should refrain from using the Reserve Fund to fund new programs, program expansions, and service restorations at this time.

## Budget Stabilization Fund

To supplement the Reserve Fund, the Budget Stabilization Fund (BSF) was established as part of the 2008-09 Budget to set aside revenues during prosperous years that could be used during lean years to help maintain service levels. As part of the 2019-20 Budget, the BSF received a budget appropriation of \$7.0 million, bringing the current balance to \$114.8 million. Adding the UB, Reserve for Mid-Year Adjustments account and the Budget Stabilization Fund increases the City's total reserves from 6.38 percent to 8.66 percent of the General Fund budget.

## Four-Year Budget Outlook

### Key Findings/Recommendations

- *Subsequent to the release of the Adopted Budget, the City reached agreements with various civilian and sworn labor units. Including the impacts of these agreements on the 2019-20 Adopted Budget Outlook turns the projected surpluses in each of the four years to deficits ranging from \$200 million to \$400 million per year.*
- *Other pending labor agreements, pension system assumption changes, or major construction projects could exacerbate the projected deficits.*

The 2019-20 Adopted Budget Four-Year Outlook (Outlook) is based on the current-year budget and projections of revenues and expenditures over the next four years. At the time of the Adopted Budget, we projected surpluses in every year of the Outlook for the first time since 2000-01. Specifically, Attachment 4A illustrates that the City projected to have surpluses from 2020-21 through 2023-24 as follows:

<b>Table 5. Summary of Four-Year Budget Outlook (millions)</b>				
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Total Budget Surplus	\$33.2	\$27.2	\$62.4	\$77.5

The Outlook assumed that revenues would continue to grow consistent with historical averages, the size of the workforce would remain flat after 2019-20, there would be no major increases in City services, and that no salary increases would be agreed to in pending labor negotiations.

Subsequent to the release of the Adopted Budget, the City reached agreements with various civilian and sworn labor units. Altering the employee compensation and pension cost assumptions based on the recently approved MOUs for Police Officers, Firefighters, and several civilian employees will move the Outlook projections from surpluses to deficits for the next four years. If all other Outlook assumptions remain the same, the City projects the annual deficit will be between \$200 and \$400 million in each of the next four years.



Even though budget deficits are currently projected over the next four years, as they have been in prior years, these budgets must be balanced when enacted. The City generally accomplishes such balancing through a combination of revenue increases, expenditure reductions, and transfers from reserves. To the extent that balancing is achieved by on-going solutions, future year deficits will be reduced.

The following scenarios could further exacerbate the projected deficits should they occur:

- Increases in employee costs resulting from current negotiations with the Municipal Construction Inspectors Association (MOU 5) and City Attorneys (MOU 29).
- Potential increase in the City contributions to its civilian and sworn pension systems if the rate of return assumptions or other key variables for the City's employee retirement systems change.
- Costs associated with major construction projects including the Civic Center Master Plan, the expansion of the Convention Center, or the Los Angeles River Revitalization Master Plan.

This Office will continue to monitor these issues and make adjustments to the Outlook as part of the Mayor's Proposed Budget for 2020-21.

### **Fiscal Challenges Ahead**

In recent months, leading economic indicators and the ongoing trade war have generated concern among economists about the likelihood of slowing economy. According to the *Wall Street Journal's* Economic Forecasting Survey, 75 percent of the economists surveyed expect a recession to occur in either 2020 or 2021. These concerns are based on a variety of data points including sales of previously owned U.S. homes falling 2.2 percent in September from the previous month as reported by the National Association of Realtors. Additionally, the Institute for Supply Management reported its manufacturing survey index fell to 47.8 percent in September, the lowest level since June 2009, and an indication of contraction.

Given these economic warning signs, the City must be prepared for these uncertain times while maintaining a balanced budget and building a healthy reserve. Los Angeles may be better positioned than the nation as a whole to avoid the negative growth associated with the recession. Nonetheless, in the likely event that growth slows from its recent extraordinary levels to historical averages, the City's revenue will be inadequate to cover anticipated expenditure obligations. Therefore, this Office is recommending that the City Council instruct all departments to submit proposals for ongoing expenditure reductions in their October 2019 monthly Financial Status Reports, which are due to the CAO on November 8, 2019. These initial reductions should position departments to gradually, and in a controlled manner, curtail spending with minimum impact to service levels. These reductions are the first step towards making structural changes to address these fiscal challenges in future budgets.

Specifically, departments should submit reduction proposals that will generate ongoing General

Fund savings totaling three percent of their General Fund appropriation. If achieved, this will result in approximately \$100 million in savings in 2019-20. Departments should seek to achieve the bulk of these reductions through salary savings and therefore must submit hiring plans to demonstrate how they intend to generate those savings. Proposals can also include new revenues not assumed in the budget, expense account reductions, and/or prioritizing and expediting the filling of fully special-funded positions over General Fund positions if they are ongoing in nature. Finally, proposals may include deferral of new programs or projects for which funding is allocated in the Unappropriated Balance or departmental budgets or expense reductions for special funds that receive a General Fund subsidy.

### **Additional Issues of Concern**

#### *Key Findings/Recommendations*

- *There are additional internal and external factors that may have an impact on the City, the size and/or timing of which cannot be accurately determined at this time. These include the potential fiscal impact from declining special fund revenues and liability claims.*

**Gas Tax:** In 2018-19, the City had to close a \$21 million gap in Gas Tax revenues as the revenues unexpectedly declined. In 2019-20, we are continuing to monitor Gas Tax revenues on an ongoing basis and will report back should revenues continue to decline.

**Street Damage Restoration Fee (SDRF) Fund:** This Office is monitoring the SDRF Fund for potential current year fiscal impacts. We identify the following areas of concern:

- **Fee Increase:** It is too early to assess whether the increase to the Street Damage Restoration Fee will deviate from the 2019-20 Adopted Budget estimate of \$70 million in annual revenue. This Office will continue to monitor the fund and will report on any deviations from the budget in a subsequent FSR.
- **Micro-trenching Ordinance:** An Ordinance regarding Micro-trenching (C.F. 19-0986) is pending in the Public Works and Gang Reduction Committee. If adopted, the Ordinance could result in a deviation from the 2019-20 Adopted Budget assumptions. Of the \$70 million in annual SDRF revenue assumed in the 2019-20 Adopted Budget, approximately \$4 million is associated with companies who have indicated an intent to use micro-trenching. Replacement of a normal trench permit with a micro-trench permit would reduce revenue associated with that permit by approximately 90 percent due to a reduction in the area of influence for micro-trenches. With the passage of this Ordinance, it is unknown how many normal trench permits will be replaced with micro-trench permits. It is also unknown how many additional micro-trench permits will be created.

**Liability Claims (tort and tax related):** Liability claims payments are always difficult to project. Any payouts occurring during the current fiscal year would require use of the Liability Claims Account or the UB, Reserve for Extraordinary Liability account. There is potential that ongoing

litigation may result in additional liability claims payments beyond what has been accounted for in the current fiscal year. Attachment 12 of the FSR provides a breakdown of the liability account expenditures to date according to each of the tracking accounts established as part of the Budget. In collaboration with the Office of the City Attorney, this Office will continue to monitor liability claims expenditures and report back on potential current year shortfalls in future FSRs. One of these cases is highlighted below.

- *Lavinsky v. City of Los Angeles*: This case involves a class action lawsuit in connection with the City's Gas Utility Users tax. The Plaintiff filed a class action lawsuit seeking a refund of gas taxes paid to the City on behalf of the classes attributable to the inclusion of the State regulatory fee and the Public Purpose Surcharge in computing the City's Gas Utility Users tax on natural gas bills. The Court ruled in favor of the plaintiff and concluded that the City's calculation of the tax was improper and resulted in overcharges of the City's Gas Utility Users tax. The parties subsequently settled the matter for \$32.5 million inclusive of attorney's fees and administrative costs. The settlement amount to the class plaintiff's would be in the form of an abatement against an adjusted gas utility users tax to be collected from ratepayers. Gas users tax adopted revenue assumes reduced receipts from this pending settlement. The abatement is expected to occur over a period of years. Cash payments associated with the administrative costs and attorney's fees are estimated to be approximately \$10 million and expected to be incurred in the current fiscal year. Final court approval is expected shortly.

## **Budgetary Adjustments**

Budgetary adjustments totaling approximately \$114.68 million are recommended in Sections 1 and 2 of this report which include:

- \$1.96 million in Special Fund reappropriations;
- \$18.47 million in new appropriations;
- \$16.52 million for transfers between accounts within various departments and funds;
- \$5.22 million for transfers between departments and funds;
- \$2.84 million in appropriations from various accounts within the UB;
- \$37.51 in reductions in appropriations from various grants and special funds and,
- \$32.16 million in MICLA reauthorizations.

## **Attachments**

- 1A 2018-19 General Fund Revenue
- 1B 2019-20 General Fund Revenue
- 2 Schedule of Reversions to Reserve Fund and Other Funds
- 3 Current Status of Reserve Fund
- 4A Four-Year Budget Outlook 2019-20 through 2023-24
- 4B Four-Year Budget Outlook Footnotes

- 5 Special Fund Reappropriations
- 6 New Appropriations
- 7 Transfers between Accounts within Departments and Funds
- 8 Transfers between Departments and Funds
- 9 Appropriations from the Unappropriated Balance
- 10A Status of the Unappropriated Balance-General Account
- 10B Status of the Unappropriated Balance-non-General Accounts
- 11 Employment Level Report
- 12 Status of Liability Claims Account
- 13 2019-20 MICLA Equipment List

## RECOMMENDATIONS

*(Refer to Discussion Sections 1 and 2)*

That the Council, subject to the approval of the Mayor:

- 1. Reappropriate \$1,956,175.53 from various special funds as noted in Attachment 5;
- 2. Appropriate \$18,468,371.57 to Department accounts as specified in Attachment 6;
- 3. Transfer \$16,524,225.64 between accounts within various departments and funds as specified in Attachment 7;
- 4. Transfer \$5,215,784.17 between various departments and funds as specified in Attachment 8;
- 5. Appropriate \$2,838,653.00 from the Unappropriated Balance to various departments and funds as specified in Attachment 9;

### Aging

- 6. Relative to the Senior Community Service Employment Program (SCSEP), adjust funding as follows to fund the program administrative costs:
  - A. Decrease appropriations by \$169,422 in the Other Programs for the Aging Fund No. 410/02 as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
02S102	Aging	\$(169,442)

- B. Adjust appropriations within Aging Fund No. 100/02 as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$8,951
001070	Salaries As-Needed	(178,393)
	Total	\$(169,442)



Cultural Affairs

7. Correct the Special Appropriations Schedule in the 2019-20 Adopted Budget as follows:

- A. Within Special Appropriations I – Cultural Grants for Families and Youth: reduce the grants for Abbot Kinney Boulevard Association, California LGBT Arts Alliance, Fierce Backbone, Hollywood Arts Council, and Youth Speak Collective to \$0, and increase the grant for Southern California Center for Nonprofit Management from \$15,545 to \$21,545, to reflect the grants actually awarded.
- B. Within Special Appropriations II – Partnerships & Individual Artist Projects 2 & 3: reduce the grants for Debbie Allen Dance Academy and Maria Bodman to \$0 each, and increase the grants for Shammell Bell, Veronique d'Entremont, and Debra Disman to \$12,000 each, for no net change to the Special Appropriations II amount;
- C. Within Special Appropriations III – Citywide/Regional Arts Support & Community Cultural Programs 2 & 3: increase the grant for The Historic Italian Hall Foundation (International Spirit Concert Program) to \$12,000.

General Services

- 8. Authorize the early reversion of the liquidated encumbrance of \$769,337 in 2017-18 within Department of General Services Fund No. 100/40, Account 003230, Petroleum Products, revert the disencumbered amount to the Reserve Fund No. 101, and subsequently transfer the amount to the Unappropriated Balance, and appropriate therefrom to the 2019-20 Department of General Services, Fund 100/40, Account 003040, Contractual Services;

Housing and Community Investment Department

- 9. Disencumber and reduce appropriations for unused contractual amounts in the following accounts:

- A. Reduce appropriations totaling \$2,948,662.85 within the Systematic Code Enforcement Trust Fund No. 41M/43 as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
43G227	Outside Legal Counsel	\$ (1,279.17)
43G301	Code Enforcement Reserve	(1,544,222.90)
43H410	Miscellaneous	(355,209.78)
43K410	Miscellaneous	(873,000.00)
43K417	Contingency for Obligatory Changes	(174,951.00)
Total		\$(2,948,662.85)

- B. Reduce appropriations totaling \$79,389.15 within Rent Stabilization Trust Fund No. 440/43 as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
43P229	Hearing Officer Contract	\$ (35.00)
43P900	Contract Programming - Systems Upgrades	(79,354.15)
	Total	\$(79,389.15)

Police

10. Authorize the early reversion of \$1,469,990.28 disencumbered from the 2018-19 Police Department Fund No. 100/70, Account 006010, Office and Administrative account in October 2019, and revert the disencumbered amount to the Reserve Fund No. 101 and transfer therefrom to the Unappropriated Balance Fund No. 100/58 and appropriate therefrom to the Police Department Fund No. 100/70, Account 006010, Office and Administrative, for the purchase of desktop computer replacements to be used throughout the Police Department;

Public Works/Bureau of Street Services

11. Decrease appropriations totaling \$34,311,473.85 within the Street Damage Restoration Fee Fund No. 41A/50 to reconcile budgetary appropriations with available cash as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
50E186	PW – Street Services	\$(52,099.85)
50EY99	General Fund Costs	(580,314.00)
50H299	Reimbursement of General Fund Costs	(2,077,384.00)
50K0CT	Contingency For	(27,851.00)
50L140	General Services	(627,505.00)
50L186	PW – Street Services	(30,000.00)
50M140	General Services	(648,337.00)
50N140	General Services	(193,983.00)
50P140	General Services	(224,000.00)
50R158	Unappropriated Balance	(29,850,000.00)
	Total	\$(34,311,473.85)

Municipal Improvement Corporation of Los Angeles (MICLA)

12. Relative to the Convention and Tourism Development Department (CTD):

- A. Re-approve the use of \$4,366,000 in MICLA financing provided in the 2019-20 Adopted Budget as detailed below:

	<b>Project</b>	<b>Budget</b>
1.	Building Automation System Upgrade	\$3,000,000
2.	West Hall Walk-in Coolers Replacement and Refurbishment	534,000
3.	Room Lighting Dimming Control System Upgrade	832,000
<b>TOTAL</b>		<b>\$4,366,000</b>

- B. Authorize CTD and/or the Office of the CAO to reimburse up to \$4,366,000 from the MICLA Commercial Paper Program (Los Angeles Convention Center) to vendors such as AEG Management LACC, LLC, as appropriate, subject to CAO approval, to pay for the capital improvement projects managed by AEG as noted in this report;
- C. Authorize the Controller to establish new appropriation accounts and appropriate \$1,094,244.94 within the MICLA Commercial Paper Notes (Convention Center) Taxable Series B-1 Accounting Fund No. 29B as follows:
- Appropriate \$648,690.71 to Account No. 50S178, LACC Expansion - Bureau of Engineering
  - Appropriate \$101,868.80 to Account No. 50S168, LACC Expansion - Planning
  - Appropriate \$343,685.43 to Account No. 50S299, Reimbursement of General Fund Costs
- D. Transfer amounts as follows on an as-needed basis for labor and related costs related to the Los Angeles Convention Center Expansion Project upon proper labor services documentation, comprised of an hourly breakdown, with task codes, detailing the completed MICLA work, subject to approval of the City Administrative Officer:
- Transfer up to \$648,690.71 from Fund No. 29B/50, Account 50S178, LACC Expansion - Bureau of Engineering, to Public Works-Bureau of Engineering Fund No. 100/78, Account No. 001010, Salaries General.
  - Transfer up to \$297,813.91 from Fund No. 29B/50, Account 50S299 Reimbursement of General Fund Costs to Public Works-Bureau of Engineering Fund No. 100/78, Revenue Source 5361.
  - Transfer up to \$101,868.80 from Fund 29B/50, Account 50S168, LACC Expansion - Planning, to Fund 100/68, Account No. 001010, Salaries General.
  - Transfer up to \$45,871.52 from Fund 29B/50, Account 50S299 Reimbursement of General Fund Costs to Planning Fund No. 100/68, Revenue Source 5361.

13. Relative to the Police Department:

- A. Re-approve the use of \$1,415,000 million in Municipal Improvement Corporation of Los Angeles (MICLA) financing provided in the Fiscal Year 2019-20 Adopted Budget for the acquisition of 41 specialized vehicles as noted in Attachment 12.
- B. Re-approve the use of \$6,380,323 million in Municipal Improvement Corporation of Los Angeles (MICLA) financing provided in the Fiscal Year 2019-20 Adopted Budget for the purchase of one Airbus H125 helicopter.

14. Relative to the Fire Department, re-approve the use of \$20 million in MICLA financing included in the 2019-20 Budget for Fire Department fleet and communications purchases as part of the Fleet Replacement Program as noted in Attachment 12. The MICLA fleet list has been revised from the Adopted Budget version to reflect 20 Electric Vehicles (EV) and 17 gasoline sedans in support of sustainability objectives.

Reserve Fund

- 15. Reappropriate \$352,245 from the Reserve Fund No. 101 through the Unappropriated Balance Fund No. 100/58 and appropriate therefrom to the City Administrative Officer Fund No. 100/10, Account No. 003040, Contractual Services to fund bridge housing for female transition aged youth;

Transportation

- 16. Authorize the Department of Transportation to receive and deposit any funds for reimbursement of traffic officer and transportation support services related to the Los Angeles Department of Water and Power's Sunset Bel Air Power Upgrade Project into the Department of Transportation Trust Fund No. 840/94, Miscellaneous Deposit Balance Sheet Account No. 2200, and to transfer and appropriate therefrom to the Department of Transportation Fund No. 100/94, Account No. 001090, Overtime General;

Budget Balancing

- 17. Instruct all City departments to submit ongoing three percent General Fund expenditure reduction proposals primarily comprised of curtailing spending on salaries and including a hiring plan designed to achieve these reductions as part of their October 2019 FSR, which is due to the CAO on November 8, 2019, consistent with instructions that the CAO will prepare and distribute;
- 18. Instruct the CAO to report back on the status of all expenditure reduction proposals in the next FSR; and,

Technical

- 19. Authorize the CAO to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.



## **FISCAL IMPACT STATEMENT**

The First Financial Status Report identifies a total of \$148.93 million in projected over-expenditures and unbudgeted expenses. Sections 1 and 2 of this report recommend transfers, appropriations, and other adjustments totaling approximately \$114.68 million. This includes approximately \$32.6 million in MICLA reauthorizations.

## **DEBT IMPACT STATEMENT**

The issuance of Municipal Improvement Corporation of Los Angeles (MICLA) Bonds is a General Fund obligation. The acquisition of capital equipment for the Fire and Police Departments would cause the City to borrow \$27,795,323 at an approximate 5.5 percent interest rate over 10 years. The financing of capital improvements to the Los Angeles Convention Center (LACC) would cause the City to borrow \$4,366,000 at an approximate 5.5 percent interest rate over 20 years. The total estimated debt service for the acquisition of capital equipment and LACC capital improvements is \$44,182,000, including interest of \$ 12,020,000. During the life of the bonds, the combined estimated average annual debt service over the first 10 years is \$4,053,000 and \$365,000 for the following 10 years.

Actual interest rates may differ as rates are dependent on market conditions at the time of issuance. We cannot fully predict what interest rates will be in the future.

In accordance with the City's Debt Management Policy, the City has an established debt ceiling to guide in evaluating the affordability for future debt. The debt ceiling for non-voted direct debt as a percentage of General Fund revenues is 6.0 percent. The City is currently at 3.92 percent for 2019-20. The issuance of debt for these projects will not impact the City's debt capacity for nonvoter approved debt as the issuance of debt for this project is already included in the debt ratio.

## Budgetary Adjustments

Sections 1 and 2 of the report recommend budgetary adjustments totaling approximately \$114.68 million, which include:

- \$1.96 million in Special Fund reappropriations;
- \$18.47 million in new appropriations;
- \$16.52 million for transfers between accounts within various departments and funds;
- \$5.22 million for transfers between departments and funds;
- \$2.84 million in appropriations from various accounts within the UB;
- \$37.51 in reductions in appropriations from various special funds; and,
- \$32.16 million in MICLA reauthorizations.

## DISCUSSION

The following is a discussion regarding the recommendations included in the report and other budget related items. The discussion is presented in five sections as follows:

Section 1. Status of Departmental Budgets .....	20
Section 2. Status of Non-Departmental Funds and Special Accounts .....	52
Section 3. Status of Employment.....	54
Section 4. Status of the State Budget .....	55

### 1. STATUS OF DEPARTMENTAL BUDGETS

This section addresses the status of department expenditures and revenues, presents projected year-end overspending, and highlights issues of concern. Recommendations include new appropriations, reappropriations, and transfers for operational needs.

**Department Expenditures:** This analysis is based on department expenditure and revenue information through the end of August. Please see the Impact of Labor Agreements Section above for an explanation of the impacts of the recent MOUs included in the analysis below.

**Department Revenues:** Departmental General Fund revenue estimates for this reporting period are based on data through the end of August, with some exceptions.

**A. Aging**  
**Attachment 6 – New Appropriations**  
**Recommendation No. 6**

This Office projects a year-end surplus of \$217,116 in the Salaries General account, comprised of \$30,000 in General Fund and \$187,116 in Older American Act (grant) funds. The surplus is a result of vacancies within the Department. The recommendations in this FSR will increase the General Fund surplus to \$126,547.

The Department anticipates meeting its General Fund revenue budget of \$367,900 by year end.

This Office recommends the following transactions:

- Appropriate \$96,547 from the Area Plan for the Aging Title III Fund, Social Services for Seniors account to the Department's Salaries General account for staff support for the Home-Delivered Meals and Congregate Meals Programs.
- Adjust funding between the Salaries General and Salaries As-Needed accounts within the Senior Community Service Employment Program (SCSEP) to fund program administrative costs.

**B. Animal Services**  
**No Recommendations**

The Department of Animal Services is projecting net year-end General Fund over-expenditures of approximately \$400,000 comprised as follows: Salaries As-Needed (\$229,863), Salaries Overtime (\$247,856), and Contractual Services (\$20,000) accounts. The overspending in these accounts is partially offset by salary savings. Historically, the Department has used salary savings to address overspending, but the recently approved salary adjustments have impacted the Department's ability to continue this practice. This Office recommends that the Department report back in the next FSR with a plan for offsetting the remaining funding gap.

This Office anticipates that the Department will meet its General Fund revenue budget of \$4.62 million by year end.

**C. Building and Safety**  
**Attachment 6 – New Appropriations**  
**Attachment 7 – Transfers between Accounts within Departments and Funds**

The Office projects a net year-end surplus of \$12.74 million for the Department which is solely comprised of special fund surpluses. This surplus is expected to decrease as the City continues to negotiate the labor agreements on outstanding memorandum of understanding. The results of the outstanding labor agreement will affect approximately 40 percent of the employees in the Department.

The Department's revenue budget is \$70.04 million. To date, \$1.34 million of the General Fund revenue has been received. This is 1.92 percent of the Department's General Fund revenue budget. This Office projects a revenue shortfall of \$0.77 million due to the reduction in related cost reimbursements from the Housing and Community Investment Department's 45th Year Consolidated Plan for the Citywide PACE project. This Office will continue to work with the Department in its efforts to meet the revenue budget.

This Office recommends the following transactions:

- Appropriate \$100,000 from the Building and Safety Building Permit Enterprise Fund, Reserve for Future Costs account to the Office of the City Attorney, Litigation Expense account.
- Transfer appropriations totaling \$16,655.27 within the Building and Safety Building Permit Enterprise Fund to pay for bank fees incurred from April through June 2019.

#### **D. Cannabis Regulation**

##### **Attachment 7 – Transfers between Accounts within Departments and Funds**

The CAO projects an overall year-end surplus of approximately \$175,000 for this Department comprised of Special Funds in the Salaries General account. The projected surplus is attributed to vacancies within the Department.

The Department's General Fund revenue budget is \$5.92 million. This Office projects that year-end budgeted revenue will be \$560,000 less than the adopted budget or \$5.36 million, due to vacancies. This revenue is comprised solely of related cost reimbursements. As of this writing, the Department had not recorded any General Fund receipts through August. This Office will continue to work with the Department to ensure that the General Fund is reimbursed for related costs for filled positions and will provide updated revenue projections in future FSRs.

This Office recommends the following transaction:

- Transfer appropriations from the Contractual Services account to the Salaries Overtime account for overtime activities related to the Department's licensing and inspection programs.

#### **E. City Administrative Officer**

##### **Attachment 6 – New Appropriations**

##### **Attachment 9 – Appropriations from the Unappropriated Balance**

##### **Recommendation No. 15**

The Office of the City Administrative Officer (CAO) is projected to complete the year within budget. The CAO also anticipates meeting its General Fund revenue budget of \$3.6 million by year end.

The following transactions are recommended at this time:

- Appropriate \$860,840 within the Insurance and Bonds Premiums Fund in accordance with anticipated revenue from the Harbor Department (\$180,000) and Department of Water and Power (\$680,840) to fund the Contractor Development and Bonding Program.
- Transfer \$238,653 from the Unappropriated Balance, Commission on Revenue Generation line item to the CAO's Contractual Services account to conduct three studies on behalf of the Commission on Revenue Generation.

*Reserve Fund Reappropriations*

- Reappropriate \$352,245 to support a contract with Hamburger Home dba Aviva Family and Children's Services to establish 44 new bridge housing beds for female transition aged youth who are homeless or at risk of homelessness. Funding for this item was transferred from the General City Purposes budget to the CAO's Contractual Services account in 2018-19 (C.F. 18-0628), however, a contract was not executed before the end of the fiscal year and the funds reverted.

**F. City Attorney**

**Attachment 9 – Appropriations from the Unappropriated Balance**

This Office is projecting a year-end General Fund surplus of \$460,952, mainly attributed to savings from the Department's Salaries General account. The City recently approved City Attorney labor agreements for MOUs 31 and 32. This Office estimates the fiscal impact of these agreements in the current year at \$422,455. This would significantly reduce the reported surplus. It should be noted that labor negotiations for City Attorney MOU 29 are pending. Should an agreement be reached in the current fiscal year, there may be further fiscal impacts to the Office of the City Attorney's budget. This Office recommends that the Department exercise fiscal constraints in anticipation of potential labor agreements.

The Department anticipates meeting its General Fund revenue budget of \$43.4 million by year-end.

This Office recommends the following transaction:

- Transfer \$100,000 from the UB, Outside Counsel including Workers' Compensation account to the Office of the City Attorney Outside Counsel account to assist the City Attorney with legal representation related to the Federal Aviation Administration's SoCal Metroplex Project. These funds were previously authorized by the Council at the end of 2018-19 pursuant to CF 19-0633. Due to the timing of the approval, the funds were not encumbered by the year-end deadline and subsequently reverted to the Reserve Fund. This Office recommends that the funds be appropriated to the Department from the UB, Outside Counsel account to mitigate any impact on the Reserve Fund or the UB, Reserve for Mid-

Year Adjustments at this time. We will continue to monitor the Outside Counsel account and report back in a future FSR if a supplemental General Fund appropriation is required.

**G. City Clerk**  
**No Recommendation**

Excluding the March 2020 Election costs, this Office projects that the Department will have a year-end General Fund surplus of approximately \$41,000 in the Salaries General account as a result of vacancies. The March 2020 Election, however, is projected to result in an unfunded General Fund liability of \$6.3 million in the current year.

Further, this Office projects that the Department's General Fund revenue may fall \$216,300 short of the \$1.05 million budget by year-end. This shortfall is comprised of an \$110,000 reduction in reimbursements for services provided to the Department of Water and Power Department and a \$106,000 reduction in election reimbursements. This Office will continue to work with the Department to monitor this revenue source and provide updated information in future Financial Status Reports.

Election Costs

The following highlights current year election costs.

- Council District 12 Election: The special run-off election to fill the vacancy in Council District 12 was conducted on August 13, 2019 by the County of Los Angeles. The 2019-20 Adopted Budget included \$1.1 million in the Unappropriated Balance to cover the costs of this special election. The Department will request a transfer of funds when the final election invoice is received late in the year.
- March 2020 Election: The 2019-20 Adopted Budget included \$8.7 million in the Unappropriated Balance for the March 2020 Election which consists of seven offices and five ballot measures. Based on the County of Los Angeles' most current estimate, however, the cost of conducting the March 2020 Election is estimated at approximately \$15 million. As a result, a \$6.3 million budget gap is now projected in the current fiscal year. The Department will provide updated cost estimates for the March 2020 Election in future Financial Status Reports.

**H. City Planning**  
**No Recommendation**

This Office projects an overall year-end special fund surplus of \$3.3 million for this Department primarily in the Salaries General account due to vacancies within the Department. The General Fund is projected to be on budget.



This Office projects that the Department's General Fund revenue budget of \$18 million will fall short by \$600,000 through the year-end. The revenue shortfall is related to lower estimates for grant reimbursements. This Office will work with the Department to monitor this revenue source and provide updated projections in future FSRs. General Fund receipts through August are \$317,247 which represents approximately 1.8 percent of the Department's General Fund revenue budget of \$18 million.

**I. Controller**  
**No Recommendation**

This Office is projecting a year end General Fund surplus of \$250,000 in its Salaries As-Needed account. These savings will be used for the Accounting Resource Program next year. The Controller anticipates meeting its General Fund revenue budget of \$6.82 million by year-end.

**J. Convention and Tourism Department (CTD)**  
**Attachment 7 – Transfers between Accounts within Departments and Funds**  
**Recommendation No. 12**

This Office anticipates a year-end surplus of approximately \$27,000. This Office recommends that the remaining \$27,000 be reserved as a contingency for year-end budget adjustments, if necessary.

The Department anticipates meeting its General Fund revenue budget of \$1.57 million by year end.

Capital Improvement Projects

The 2019-20 Adopted Budget includes a total of \$4,366,000 as part of the Capital Improvement Expenditure Program (CIEP) to pay for three projects at the Los Angeles Convention Center funded by the MICLA Commercial Paper Program (Los Angeles Convention Center). Pursuant to the Management and Operation Agreement between the City of Los Angeles and AEG Management LACC, LLC (AEG), the Department of Convention and Tourism Development (CTD) and AEG have mutually agreed that AEG will perform, direct, and supervise these eleven projects.

This Office recommends the following transactions:

- Transfer \$150,000 from the Department's Salaries General account to the Contractual Services account to provide funding for a FUSE Corps Fellow to assist with managing the development of the Strategic Tourism Development Plan for the City of Los Angeles, as well as providing assistance with the CTD Annual Report and the Los Angeles Convention Center Expansion and Modernization project. The Department will use the City-wide agreement with Fuse Corps (Contract No. C-125791).

**MICLA**

- Re-approve the use of \$4,366,000 in MICLA financing provided in the 2019-20 Adopted Budget as detailed below:

	<b>Project</b>	<b>Budget</b>
1.	Building Automation System Upgrade	\$3,000,000
2.	West Hall Walk-in Coolers Replacement and Refurbishment	534,000
3.	Room Lighting Dimming Control System Upgrade	832,000
<b>TOTAL</b>		<b>\$4,366,000</b>

- Authorize CTD and/or the Office of the CAO to reimburse funds of up to \$4,366,000 from the MICLA Commercial Paper Program (Los Angeles Convention Center) to vendors such as AEG Management LACC, LLC, as appropriate, to pay for the capital improvement projects managed by AEG as noted in this report.
- Transfer up to \$946,504.62 in MICLA funding to the General Fund upon verification of final labor amounts for Bureau of Engineering staffing costs and related costs associated with the Los Angeles Convention Center Expansion Project.
- Transfer up to \$147,740.32 in MICLA funding to the General Fund upon verification of final labor amounts for Department of City Planning staffing costs and related costs associated with the Los Angeles Convention Center Expansion Project.

#### **K. Council**

##### **Attachment 6 – New Appropriations**

##### **Attachment 7 – Transfers between Accounts within Departments and Funds**

##### **Attachment 8 – Transfers between Departments and Funds**

The Council requests the following transactions:

- Transfer \$1,350,000 from the Council's Salaries General account to various accounts to align with current expenditure patterns.
- Transfer \$1,650,000 from General City Purposes (GCP), Council Community Projects account (Council District 8) – Rita Walters Learning Center to the GCP Council District Community Services account (Council District 8) to support community services and projects in Council District 8.
- Transfer \$500,000 from General City Purposes (GCP,) Council Community Projects account (Council District 1) - The Wall Las Memorias to the Police Department's Overtime Sworn account to support Northeast Los Angeles foot patrols in Council District 1.
- Appropriate the unreserved fund balance in an amount not-to-exceed \$27,443 from the Jeopardy Balance the Odds Youth Program Fund to the Council Fund, Salaries General account to support current staffing costs for Council District 7.

- Transfer \$80,000 from General City Purposes (GCP), Council Community Projects account (Council District 7) to the Council Fund, Office and Administrative account for Council District 7 expenditures.
- Transfer \$110,000 from the City Clerk Salaries General account to the Council's Salaries, General account to support increased technical and/or legal workload demands associated with the Planning and Land Use Committee (C.F. 19-0600-S134).
- Appropriate \$400,000 in AB 1290 funding (Council District 14) to the Council Fund, Salaries, As-Needed account to support current staffing costs for Council District 14.
- Appropriate \$39,000 from the Venice Area Surplus Real Property Trust Fund, Venice Bridge Home Project account to the Council Fund, Salaries As-Needed account (Council District 11), and authorize the use and appropriation of said funds to be used for expenses related to the Venice Bridge Home Project, a capital project benefiting the Venice area.

#### **L. Cultural Affairs**

##### **Attachment 6 – New Appropriations**

##### **Attachment 7 – Transfers between Accounts within Departments and Funds**

##### **Attachment 8 – Transfers between Departments and Funds**

##### **Recommendation No. 7**

This Office projects a year-end surplus of \$253,014 in the Department's Salaries General account providing that the recommended transactions in this report are approved.

The Department anticipates meeting its General Fund revenue budget of \$6.9 million by year-end.

The following transactions are recommended at this time:

- Transfer \$143,148 from the Summer Arts and Culture Youth Jobs Program account to the Salaries As-Needed account to reimburse the salaries of summer youth job program participants.
- Transfer \$60,000 from the Salaries General account to the Salaries Overtime account to address projected and intermittent approved overtime payouts.
- Appropriate a total of \$1,163,166 from the Arts and Cultural Facilities and Services Trust Fund Available Cash Balance to various accounts:
  - \$100,000 to the Contractual Services account to provide funding for the Creative Catalyst Artist-in-Residence Project contracts highlighting pedestrian safety;
  - \$130,000 to the Special Appropriations III – LA Cultural Tourism and Promotion (\$95,000) and Employee Training, Productivity and Efficiency Program (\$35,000) accounts, inadvertently omitted during the 2019-20 budget process; and,

- \$933,166 to meet financial commitments from last year carrying over into the current year for the programs noted in Attachment 6.
- Appropriate \$200,000 from the Arts and Cultural Facilities and Services Trust Fund Available Cash Balance to the Information Technology Agency's Communications Services account, to fund communication infrastructure needs at various Cultural Affairs facilities.
- Transfer \$20,000 from the Arts and Cultural Facilities Services Trust Fund, Landscaping and Miscellaneous account, to the Recreation and Parks Fund, to pay for consultant services to conduct a traffic study for the Barnsdall Art Park.
- Correct the Special Appropriations Schedule in the 2019-20 Adopted Budget as follows:
  - Within Special Appropriations I – Cultural Grants for Families and Youth: reduce the grants for Abbot Kinney Boulevard Association, California LGBT Arts Alliance, Fierce Backbone, Hollywood Arts Council, and Youth Speak Collective to \$0, and increase the grant for Southern California Center for Nonprofit Management from \$15,545 to \$21,545, to reflect the grants actually awarded;
  - Within Special Appropriations II – Partnerships & Individual Artist Projects 2 & 3: reduce the grants for Debbie Allen Dance Academy and Maria Bodman to \$0 each, and increase the grants for Shammell Bell, Veronique d'Entremont, and Debra Disman to \$12,000 each, for no net change to the Special Appropriations II amount;
  - Within Special Appropriations III – Citywide/Regional Arts Support & Community Cultural Programs 2 & 3: increase the grant for The Historic Italian Hall Foundation (International Spirit Concert Program) to \$12,000;
- Transfer \$8,000 of Special Appropriations I funding to the Special Appropriations III, International Spirit Concert Program account.
- Appropriate \$24,700 of Special Appropriations I funding to the Arts and Cultural Facilities and Services Trust Fund Available Cash Balance.

**M. Disability**  
**No Recommendation**

This Office projects a year-end surplus of \$26,814 in the Salaries General account comprised entirely of the General Fund.

This Office projects that the Department will meet its General Fund revenue budget of \$25,781.

**N. Economic and Workforce Development**  
**Attachment 7 – Transfers between Accounts within Departments and Funds**

With the approval of the transactions requested in this FSR and assuming that six vacant positions will be filled, this Office projects a year-end surplus of \$3.37 million in the Salaries General account (\$0.97 million General Fund and \$2.4 million Special Funds, including the Workforce Innovation and Opportunity Act Fund and various workforce grant funds).

This Office projects that this Department's General Fund revenue budget of \$5.5 million will fall \$2.2 million short by the year-end. The current projection of \$3.3 million is based on an analysis of historic annual receipts of related cost reimbursements. We will continue to monitor revenue payments and provide revisions to this projection in future FSRs should circumstances change.

This Office recommends the following transaction at this time:

- Transfer a total of \$40,616 from the Contractual Services and Travel accounts to the Salaries As-Needed, Overtime General, and Office and Administrative accounts for administrative support related to social media outreach previously provided through a contractor and currently to be performed by Department staff for various programs as detailed on Attachment 7.

**O. El Pueblo**  
**No Recommendation**

This Office projects that El Pueblo will have net year-end Special Fund over-expenditures of approximately \$474,000. This is primarily attributed to overspending in the amount of \$360,000 as a result of enhanced security services and \$114,000 in other unanticipated expenses which were not budgeted. Specifically, the budget gap of \$114,000 is attributed to unanticipated costs including 1) credit card surcharges (\$50,000), 2) parking automation maintenance (\$30,000), 3) ITA-required computer upgrades (\$15,000), 4) plaza tree trimming (\$10,000), 5) Bureau of Street Services Inspectors (\$5,000), and 6) alarm system upgrades (\$4,000). These costs were not budgeted but are necessary for security purposes and to maintain operations. This Office will continue to monitor overspending and recommend transfers as necessary in future financial status reports. It is anticipated that the Department will be able to offset the current overspending.

The Department anticipates meeting its Special Fund revenue budget of \$5.4 million by year end.

### Security Costs

The enhanced security can be attributed to an increase in transient activity, resulting in additional security deployment to ensure the safety and security of visitors, merchants, and City employees. This Office met with the Department and LAPD to assess security costs and deployment. We anticipate that El Pueblo will fully reimburse LAPD for any cost overruns in 2019-20. The following illustrates prior year security costs compared to current year projections.

<b>Table 6. 2018-19 and 2019-20 El Pueblo Security Expenditures</b>					
<b>2018-19 Budget</b>	<b>2018-19 Actual</b>	<b>2018-19 Difference</b>	<b>2019-20 Budget</b>	<b>2019-20 Projected</b>	<b>2019-20 Difference</b>
\$544,785	\$968,603	\$(423,818)	\$730,185	\$1,090,185	\$(360,000)

### **P. Emergency Management Department**

#### **Attachment 7 – Transfers between Accounts within Departments and Funds**

This Office projects a net General Fund surplus of \$28,208 in salary savings.

This Office anticipates meeting its General Fund revenue budget of \$1,007,705 by year-end.

This Office recommends the following transfer at this time:

- Transfer \$360,000 within the Emergency Operations Fund, Office and Administrative account to the Furniture, Office and Technical Equipment account to purchase replacement computer hardware and software for the Emergency Operations Center.

### **Q. Employee Relations Board**

#### **No Recommendation**

This Office projects that the Employee Relations Board will have a year-end General Fund over-expenditure of \$5,603 primarily due to one-time MOU salary payout costs and costs associated with the retirement and hiring of a staff position. The department will use projected surpluses in its expense and salaries-as-needed accounts to offset year-end projected overspending. Any remaining salary over-expenditure amount will be monitored by the Office and addressed in upcoming Financial Status Reports, as needed.

### **R. Ethics**

#### **No Recommendation**

This Office projects a year-end Special Fund surplus of \$16,074. This assumes that funds will not be needed in the current year to fund a Special Prosecutor.

This Office anticipates that Ethics will meet its General Fund revenue budget of \$570,650 by year-end.



## **S. Finance**

### **No Recommendation**

This Office projects that the Office of Finance will end the year with a \$2.95 million surplus (\$2,948,581 General Fund and \$52,600 Special Fund) across all accounts. The surplus is mostly a result of vacancies within the Department and is expected to be used to offset any over expended accounts through the fiscal year. The Department is working to fill vacancies and reduce the surplus.

The Department anticipates meeting its General Fund revenue budget of \$7.79 million by year end.

## **T. Fire**

### **Attachment 5 – Special Fund Reappropriations**

### **Attachment 6 – New Appropriations**

### **Attachment 7 – Transfers between Accounts within Departments and Funds**

### **Attachment 8 – Transfers between Departments and Funds**

### **Attachment 9 – Appropriations from the UB**

### **Attachment 13 – 2019-20 MICLA Equipment List**

### **Recommendation No. 14**

Excluding the impact from the recent labor agreements, this Office projects that the Fire Department (LAFD) will have net year-end General Fund over-expenditures of approximately \$7.2 million. This is mainly attributed to overspending in the Overtime General (\$400,000), Overtime Sworn (\$4,098,000), Overtime Constant Staffing (\$1,423,000), Contractual Services (\$2 million), and Field Equipment Expense (\$1.75 million) accounts. After adjusting for the potential impact of MOU negotiations and cost-of-living adjustments for sworn staff to the Department's operating budget, year-end over-expenditures increase by approximately \$18.85 million, from \$7.2 million to \$26.05 million. This Office recommends transactions in this report to reduce year-end overspending by \$1.36 million, from \$26.05 million to \$24.69 million. If an additional \$1.5 million is transferred to the Department from the Unappropriated Balance, Mutual Aid Overtime later in the year, the year-end imbalance will be further reduced to \$23.19 million.

The Department does not report any significant impacts to its General Fund revenue target of \$228.2 million at year-end. The LAFD will continue to monitor receipts and report back on any significant impacts. The Department does not anticipate any issues at this time with Inter-Governmental Transfer Program receipts.

The most significant expenditure variances are discussed below:

- **Overtime Sworn:** The projected overspending of \$4.1 million is mainly due to sworn resources deployed outside the City. This Office recommends a transfer of \$1.5 million from the Unappropriated Balance, Mutual Aid Overtime account for resources deployed to assist in wildfire events outside the City. This action will reduce overspending in the account to

\$2.60 million. Mutual aid reimbursements are anticipated throughout the year and are captured as revenue to the General Fund.

- **Overtime Constant Staffing:** Overspending of \$1.4 million is attributed to a one-time budget reduction. The Department is not requesting a transfer at this time.
- **Contractual Services:** A projected over-expenditure of \$2.0 million is attributed to increased operating costs and expenses associated with the LAFD GIS information system, security at Frank Hotchkin Memorial Training Center, and expenses for LAFD FireStat. This Office is not recommending a transfer at this time, and will address the operational needs through transfers from other accounts.
- **Field Equipment Expense:** A projected over-expenditure of \$1.75 million is based on historical shortages for the repair and maintenance of emergency apparatus. A cumulative transfer of \$750,000 from Salaries General (\$500,000) and Unused Sick Time (\$250,000) is recommended to ensure continuity in apparatus maintenance operations and fleet availability.

#### MICLA

The recommendations stated in this report include the re-approval of MICLA allocations as part of the 2019-20 Adopted Budget to proceed with fleet purchases and amend the equipment list to substitute gasoline vehicles with the purchase of electric vehicles, and a transfer of MICLA funding to the ITA Hiring Hall account for the ongoing installation of communications equipment installed on emergency apparatus and vehicles.

#### Sworn Hiring

The Adopted Budget includes funding for two recruit training classes to support 130 firefighter recruits. One training class will be completed this fiscal year and the remaining class in the following year based on the 2019-20 Academy schedule below. Recruit training typically has an attrition rate of 20 percent.

**Table 7. FY 2019-20 Academy Schedule**

<b>Drill Tower</b>	<b>Class #</b>	<b>Start Date</b>	<b>Graduation Date</b>	<b>No. of Recruits Authorized</b>	<b>No. of Recruits Appointed</b>	<b>No. of Graduates</b>
DT 81	19-1	12/09/19	05/07/20	65	TBD	TBD
DT 81	19-2	05/25/20	10/22/20	65	TBD	TBD
<b>Total</b>				<b>130</b>	<b>TBD</b>	

The following provides an update of the 2018-19 recruit training schedule which includes the completion of one class in the current year (i.e., a total of two classes are graduating this fiscal year, as highlighted):

<b>Table 8. FY 2018-19 Academy Schedule</b>						
<b>Drill Tower</b>	<b>Class #</b>	<b>Start Date</b>	<b>Graduation Date</b>	<b>No. of Recruits Authorized</b>	<b>No. of Recruits Appointed</b>	<b>No. of Graduates</b>
DT 81	18-1	07/23/18	12/20/18	65	60	51
DT 81	18-2	01/07/19	06/06/19	65	62	57
DT 81	18-3	06/24/19	11/21/19	65	69	TBD
<b>Total</b>				<b>195</b>	<b>191</b>	

This Office recommends the following transactions:

- Appropriate \$1.5 million from the Unappropriated Balance to the Overtime Sworn account for sworn resources deployed outside the City during peak wildfire and hurricane activity periods which usually extend through the end of the calendar year.
- Transfer \$750,000 from the Salaries General (\$500,000) and the Unused Sick Time (\$250,000) accounts to the Field Equipment Expense account to maintain continuity in the maintenance and repair of emergency apparatus and fleet vehicles.
- Transfer \$137,571 from the Operating Supplies account to the Information Technology Agency (ITA) for its continuing participation in the planning, design and development of a replacement for the current Fire Station Alerting System (FSAS) with a new commercially supported system. This expense was budgeted in the current year.
- Recognize Measure B receipts totaling \$204,165 for costs incurred in 2018-19 for an Assistant Chief serving as the Aero Medical Clinical Care Coordinator including direct costs (\$105,337), indirect costs (\$70,253), and training costs (\$28,575) funded from the Variable Staffing Overtime account as General Fund revenue.

#### *Special Fund Reappropriation*

- Reappropriate Innovation Funds in the amount of \$153,878 within the Department's Sworn Salaries and Office and Administrative accounts for the continuation of the Early Intervention Treatment Program (C.F. 18-1053). On September 17, 2019 the Council authorized continued resolution authority for staffing in connection to this program (C.F. 19-0968). These funds were recommended for reappropriation in the 2018-19 Year-End FSR but were inadvertently omitted from the Controller instructions.

## 2019-20 MICLA

- Reapprove the use of \$20 million in MICLA financing included in the 2019-20 Adopted Budget for Fire Department fleet and communications purchases as part of the Fleet Replacement Program as noted in Attachment 13. The MICLA fleet list has been revised from the Adopted Budget version to reflect 20 Electric Vehicles (EV) and 17 gasoline sedans in support of sustainability objectives.

2019-20 Adopted Budget:				
Type	Quantity	Fuel	Per Unit Cost	Total
Sedan (Non-Emergency)	17	Gasoline	\$38,000.00	\$ 646,000.00
Sedan (Emergency)	20	Gasoline	42,000.00	840,000.00
<b>Subtotal</b>	<b>37</b>			<b>\$ 1,486,000.00</b>

Revised To:				
Type	Quantity	Fuel	Per Unit Cost	Total
Sedan (Non-Emergency)	0	Gasoline	\$38,000.00	\$ 0.00
Sedan (Emergency)	17	Gasoline	41,500.00	705,500.00
Electric Sedans (Non-Emergency)	20	Electric	39,000.00	780,000.00
<b>Subtotal</b>	<b>37</b>			<b>\$ 1,485,500.00</b>

- Transfer \$257,089 within the MICLA Fund to reimburse ITA's Hiring Hall account. The installation of communications equipment in the Fire Department's fleet is ongoing. Due to the need to stay on schedule, funding is required to reimburse ITA's Hiring Hall account.

## U. General Services Recommendation No. 8

This Office is projecting a net year-end General Fund surplus of \$3.9 million and Special Fund surplus of \$1.5 million in the Salaries General account. The surplus is attributed to a high number of vacancies. Additionally, over-expenditures are identified in the Salaries As-Needed (\$926,000), Overtime General (\$150,000), Hiring Hall (\$250,000), Hiring Hall Benefits (\$250,000), Contractual Services (\$2.2 million), and Leasing (\$286,000) accounts. The overspending in these accounts is fully offset by salary surpluses. The remaining year-end surplus identified above may be used to address additional unanticipated expenditures should they be identified in future FSRs.

This Office anticipates that the Department will meet its General Fund revenue budget of \$54.9 million by year end.

On June 17, 2019, the Department was authorized to execute the Third Amendment to the AssetWorks, LLC contract (C-127245, C.F. No. 12-0821) and utilize \$769,337 in prior-year encumbrances for the contract. The Department did not have sufficient time to disencumber the prior-year encumbrances, re-appropriate and encumber the funds for the contract prior to the year-end deadlines. The Department released the encumbrances in the current fiscal year but requires Council approval to appropriate the funds to the current fiscal year.

The following transaction is recommended at this time:

- Authorize the early reversion of the liquidated encumbrance of \$769,337 in 2017-18 within the Department's Petroleum Products account, revert the disencumbered amount to the Reserve Fund and appropriate therefrom to the Department's 2019-20 Contractual Services account.

## **V. Housing and Community Investment**

### **Attachment 5 – Special Fund Reappropriations**

### **Attachment 6 – New Appropriations**

### **Attachment 7 – Transfers between Accounts within Departments and Funds**

### **Attachment 8 – Transfers between Departments and Funds**

### **Attachment 9 – Appropriations from the UB**

### **Recommendation No. 9**

This Office projects that the Housing and Community Investment Department (HCID) will have a year-end Special Fund surplus of \$13.7 million, primarily in the Salaries General account. The Department currently has a vacancy rate of approximately 21 percent, which is expected to decrease as positions are filled throughout the year. This Office recommends transfers from the Salaries General account to various other accounts to support departmental operations.

The Department's General Fund revenue budget is \$42.4 million. This Office projects a revenue shortfall of \$4.3 million due to a reduction in related cost reimbursements that are attributable to the Department's vacancy rate. This Office will continue to monitor the Related Cost reimbursements and work with the Department in its efforts to meet the revenue budget and make timely reimbursements to the General Fund.

This Office recommends the following transactions at this time:

- Disencumber and reduce appropriations totaling \$3 million for unused contractual amounts from previous fiscal years within the Systematic Code Enforcement Trust Fund and the Rent Stabilization Trust Fund.

- Appropriate \$3,500 from the Domestic Violence Trust Fund to the Housing and Community Investment Department's operating budget to pay for costs associated with the administration of the Domestic Violence Task Force.
- Appropriate \$100,000 from various funds to the Office of Finance's operating budget to reimburse for credit card merchant fees.
- Appropriate and transfer \$81,952.70 from the Salaries General account to various budgetary accounts to support costs associated with the Office of Traffic Safety Grant.
- Transfer appropriations totaling \$270,382 from the Salaries General and Related Costs accounts to other accounts to support the Foreclosure Registry Program's budgetary needs.
- Appropriate and transfer \$30,000 from the Service Delivery account to the Code Enforcement Training account from the Systematic Code Enforcement Trust Fund to support MOU mandated training.
- Transfer and re-appropriate \$215,848 from prior year appropriations to the Department's current operating budget and related costs in the Affordable Housing Trust Fund to pay for costs associated with the USC Housing fund and program, C.F 12-0968-S4.
- Transfer and re-appropriate \$80,000 from prior year appropriations to the Department's current operating budget in the Housing Revolving Production Fund to pay for costs associated with systems software renewals.
- Appropriate \$1 million from the Unappropriated Balance, Accessible Housing Program Retrofit Contracts account to the Department's operating budget for retrofit work associated with the Accessible Housing Program.
- Transfer appropriations totaling \$1,268,000 from the Department's Contractual Services account to various accounts within the Accessible Housing Fund to support contracts associated with the Accessible Housing Program.

#### **W. Information Technology Agency**

##### **Attachment 7 – Transfers between Accounts within Departments and Funds**

##### **Attachment 8 – Transfers between Departments and Funds**

This Office is currently projecting a net surplus of approximately \$1.6 million (\$1.02 million General Fund and .55 million Special Fund), primarily in the Salaries General and the Communications Services accounts. The savings are offset by projected overspending in ITA's Salaries As-Needed (\$80,000), Salaries Overtime (\$500,000), and Hiring Hall Salaries accounts (\$991,655). The



projected overspending in the three salaries accounts is similar to expenditure patterns from the previous year and will be offset by surpluses in other accounts.

The Department's General Fund revenue budget is \$7.95 million. This Office anticipates a revenue shortfall of approximately \$500,000 mainly due to increased budgeted receipts from special funded departments for Communication Services Requests (CSR) which are being appropriated to the Department's operating budget as opposed to the Department's General Fund Revenue Source Codes. ITA is in the process of making changes to CSR billing which could impact current year General Fund receipts. This Office is currently working with ITA to determine the process on a go forward basis and the potential impact on General Fund receipts.

The Department anticipates meeting its Special Fund revenue budget for the Telecommunications Development Account of \$18.5 million by year-end.

This Office recommends the following transactions:

- Transfer \$80,000 from the Salaries General account to the Salaries As-Needed account to mitigate anticipated overspending in this account associated with the Department's need for additional staff for various systems projects.
- Transfer \$500,000 from the Salaries General account to the Overtime General account to mitigate anticipated overspending in this account associated with the Department's use of overtime to backfill vacancies.
- Transfer \$991,655 from the Communication Services account to the Hiring Hall Salaries account to mitigate anticipated overspending associated with maintenance and repair work required both on the City's data network and on communications equipment installed in various City vehicles.
- Transfer \$90,245 from the Contractual Services account to the Bureau of Sanitation to cover the annual Oracle maintenance for the Customer Relationship Management System Project.
- Transfer \$300,000 from the Office and Administrative account to the Contractual Services account to fund the Information Security Office's renewal of Citywide cyber security software.

## **X. Library**

### **No Recommendation**

This Office projects that the Department will have a year-end surplus of \$2.36 million in its Salaries General account as a result of vacancies. The Department intends to transfer \$75,000 of this surplus to cover over-expenditures in the Salaries As-Needed account related to as-needed staffing necessary to maintain continuity of services, and increased hiring associated with enhanced

programming and the Library's Diversity and Inclusion Program.

The Department anticipates meeting its revenue budget of \$2.9 million. All revenue collected by the Library is deposited into the Library Fund.

There are no transactions requested for this report.

**Y. Los Angeles Tourism and Convention Board (formerly LA Inc.)**  
**Attachment 6 – New Appropriations**

The City's contract with the Los Angeles Tourism and Convention Board (LATCB) provides annual funding in the amount equivalent to one percent of the Transient Occupancy Tax (TOT). Payments are made quarterly based on the estimated TOT and reconciled at the end of the year. In 2018-19, LATCB received \$22,975,948.52 or \$992,329.31 less than owed. This Office recommends that funds be appropriated from the Los Angeles Convention and Visitors Bureau Trust Fund No. 429 to permit the final payment for 2018-19.

The following transaction is recommended:

- Appropriate \$992,329.31 from the Los Angeles Convention and Visitors Bureau Trust Fund to the Los Angeles Convention Visitors Bureau, and authorize the City Administrative Officer to pay LATCB's final 2018-19 invoice from these funds.

**Z. Mayor**  
**Attachment 6 – New Appropriations**  
**Attachment 8 – Transfers between Departments and Funds**

The Mayor requests the following transactions:

- Establish a new appropriation account within the 2017-18 California Violence Intervention and Prevention (CalVIP) Grant Fund and transfer \$29,930 in prior year related costs to reimburse the General Fund for current year related costs.
- Adjust funding in the amount of \$5,504 within various grant funds to support program related costs.

**AA. Neighborhood Empowerment**  
**No Recommendation**

This Office is projecting a net year-end over-expenditure of approximately \$58,000 and an additional General Fund liability of approximately \$100,000 resulting from a less than expected starting cash balance within the Neighborhood Empowerment Fund. The over-expenditures are due to projected overspending in the Salaries As-Needed, Contractual Services, Office and Administrative, and Communication Services accounts. These accounts are partially offset by a Salaries General surplus. This Office will work with the Department to address the over-expenditure

and report back in a subsequent FSR.

The Department has no budgeted General Fund revenues.

A \$100,000 shortfall is projected in the Neighborhood Empowerment Fund due to a lower than budgeted starting cash balance. As a result of the unbudgeted salary adjustments from the new labor agreements, it is anticipated that the Department will not be able to absorb this special fund revenue shortfall. This results in a year-end General Fund liability. We will work with the Department to reduce this General Fund impact by year-end.

## **BB. Personnel**

### **Attachment 7 – Transfers between Accounts within Departments and Funds**

This Office is projecting net year-end General Fund overspending of \$1.3 million General Fund and a \$0.2 million Special Fund surplus. The over-expenditure is primarily in the Salaries As-Needed and Training Expense accounts. The Salaries As-Needed account projection is based on prior year actual expenditures and increased costs associated with the recently approved labor agreements. The increase in the Training Expense account in the amount of \$396,000 is attributed to training and professional development provisions within recently approved labor agreements (MOUs 36, 63, 64, and 37). In order to prevent any negative impacts on the City's reserves at this time, this Office recommends an internal transfer within the Department's operating budget to address the Training Expense over-expenditure. We further recommend that the Department report back in the next FSR with a plan for offsetting the Salaries As-Needed funding gap.

While the Department anticipates meeting its General Fund revenue budget of \$25.7 million, special funded vacancies in the Department may result in slightly decreased General Fund revenue associated with reduced related cost reimbursement for special funded positions. This Office will continue to monitor General Fund receipts and refine projections in a future FSR.

The following transaction is recommended:

- Transfer \$396,000 from the Salaries General account to the Personnel Department Training Expense account pursuant to the recently approved labor agreements. We will continue to monitor the Department's operating accounts in the event a supplemental General Fund appropriation is required later in the fiscal year to address any impacts from this transfer.

**CC. Police**

**Attachment 5 – Special Fund Reappropriations**

**Attachment 6 – New Appropriations**

**Attachment 7 – Transfers between Accounts within Departments and Funds**

**Attachment 13 – 2018-19 MICLA Equipment List**

**Recommendation Nos. 10 and 13**

This Office is projecting year-end overspending of \$47.98 million, primarily in the Salaries General, Salaries Sworn, Sworn Overtime, and Office and Administrative accounts. The over-expenditure is due primarily to changes in recently adopted sworn and civilian labor agreements for which costs were unknown prior to approval of the 2019-20 Adopted Budget. The Department has taken various actions to reduce the over-expenditure, including implementing controls on promotions, paygrades, and overtime, delaying the July 2019 Police Officer recruit sworn class to January 2020, and absorbing a \$6.0 million reduction in the Salaries Sworn account included in the 2019-20 Adopted Budget. Future over-expenditures may increase once labor contract changes to various sworn and civilian bonuses have been implemented later this fiscal year and actual payroll data becomes available. This Office will continue to work with the Department to monitor the over-expenditure and develop solutions in the Mid-Year FSR to offset the funding gap.

This Office anticipates that the Department will meet its General Fund revenue budget of \$158.77 million by year-end.

The most significant expenditure variances are discussed below:

- **Salaries General (\$989,250):** The over-spending in this account is due to the impact of salary and bonus increases in various civilian labor agreements. This estimate may increase upon implementation of a bonus paid to Police Service Representatives (PSRs) assigned to the Communications Division as actual costs will vary depending on the number of PSRs working, their seniority, and respective paygrades.
- **Sworn Salaries (\$37.98 million):** This overspending reflects salary and bonus increases in MOU 24 (\$37.01 million) and MOU 25 (\$968,234). Significant increases to this projection may occur upon implementation of a new educational bonus for officers with 60 or more education credits. To accurately project this cost requires the Police and Personnel Department to assess each officer's eligibility for the bonus, including collecting and reviewing school transcripts and applicable Academy hours. This bonus will be effective in April 2020.
- **Overtime General (Amount to be Determined):** Salary increases and work rule changes will increase Overtime General expenses by an undetermined amount. An accurate estimate is not possible at this time due to the complexities of implementing various rule changes that will increase hourly rates. The Department reports that this will specifically effect its 24/7 civilian operations, such as Custody Services Division, Evidence and Property Management

Division, Records and Identification Division, and Communications Division during civilian holidays.

- **Sworn Overtime (\$8.3 million):** The reported overspending reflects the amount needed to maintain the same number of overtime hours funded in the 2019-20 Adopted Budget at the new hourly rates for sworn officers. The table below details these costs for reimbursable and non-reimbursable overtime and the estimated increased expense attributable to doubling the minimum overtime hours when officers appear in Court during off-duty hours.

<b>Table. 9 2019-20 Reimbursable and Non-reimbursable Overtime (in millions)</b>			
<b>Type of Overtime</b>	<b>2019-20 Adopted Budget</b>	<b>Cost Increase</b>	<b>Total</b>
Los Angeles County Metropolitan Transportation Authority (LACMTA)	\$46.56	\$1.46	\$48.02
Non-LACMTA Reimbursable Overtime	20.00	0.63	20.63
Regular Non-Reimbursable Overtime	84.18	2.63	86.81
Earmarked Non-Reimbursable Overtime*	14.78	.46	15.24
Non-Reimbursable Increase to Minimum Court Overtime	0.00	3.10	3.10
<b>TOTAL</b>	<b>\$165.52</b>	<b>\$8.28</b>	<b>\$173.80</b>

\* Earmarks include: Bridge Housing Security, Cannabis Enforcement, Custody Transport Detail, Party Car, and the Human Trafficking Taskforce.

- **Office and Administrative (\$675,000):** This over-spending is attributable to educational expenses paid by the City for sworn officers in accordance with MOUs Nos. 24 and 25. The Department has historically absorbed these costs; however, the significant overspending in other accounts will limit the Department's budgetary flexibility in this regard.

This Office, with the assistance of the Police Department, will continue to monitor these over-expenditures as actual payroll data becomes available and recommend a plan of action in the Mid-Year FSR.

#### Status of Reserve Fund Loans

To avoid banking of sworn overtime hours and meet interim requests from the Los Angeles County Metropolitan Transportation Authority (LACMTA) for enhanced security on bus and rail lines in 2018-19, the Council authorized a total of \$17.51 million in Reserve Fund loans in 2018-19. To date, the Police Department has recorded \$5.0 million in repayments. Reimbursements of approximately \$3.3 million for prior year sworn overtime expenditures are included in this FSR and will be used to further reduce the outstanding loans, leaving a balance of \$9.22 million which will

be addressed through revenue received from LACMTA and other entities for which reimbursements of Police services are received.

#### Sworn Hiring

From June 23, 2019 through August 31, 2019, the Department hired one recruit class of 49 officers. The Department plans to hire a total of 547 officers this fiscal year. Year-to-date attrition has been 111 versus 108 projected. As of August 31, 2019, there are 9,971 officers deployed Citywide, including 27 Municipal Police Officers.

#### Civilian Hiring

From June 23, 2019 through August 31, 2019, the Department filled 19 civilian vacancies versus 26 planned with attrition of 54 versus 46 planned. Within this period, the Department also complied with the Mayor's Executive Directive No. 9 by hiring six summer youth and additional personnel under the Targeted Local Hiring Program. A total of 2,933 civilian positions were deployed, including 275 Detention Officers.

#### Desktop Computer Replacement

The 2018-19 Adopted Budget provided \$1.47 million in the Unappropriated Balance for the purchase of desktop computer replacements throughout the Police Department. The Department encumbered these funds in 2018-19 and the equipment has been delivered; however, due to an inadvertent error on the Purchase Order the funds had to be disencumbered in October 2019 in order to correct the Purchase Order. As a result, the funds must now be reappropriated to allow the Department to process this payment.

This Office recommends the following transactions at this time:

- Transfer \$182,400 from the Field Equipment Expense account to the Uniform account for the replacement of bomb suits and helmets inasmuch as these expenditures are more appropriately paid from the Uniform account.
- Transfer \$391,200 from the Sworn Overtime to Overtime General account and \$12,000 from the Office and Administrative to the Printing and Binding account to align appropriations with expenses related to the provision of Police services to the LACMTA.
- Transfer \$162,000 from the Contractual Services account to the Overtime Sworn (\$102,000), Operating Supplies (\$40,000), and Travel (\$20,000) accounts for K-9 Team expenses reimbursed by the Transportation Security Administration for services provided to LACMTA.
- Appropriate \$183,999.23 from the United States Department of Justice – Asset Forfeiture Program Fund available cash balance to the Police Department's Reimbursement from Other Funds Revenue Source Code, to recognize cumulative cash received from the LA Impact Program.



- Appropriate \$160,870.90 from the United States Department of Treasury – Asset Forfeiture Program Fund from the available cash balance to the Police Department’s Reimbursement from Other Funds Revenue Source Code, to recognize cumulative cash received from the LA Impact Program.
- Process an early reversion of \$1,469,990.28 disencumbered from the 2018-19 Department’s Office and Administrative account in October 2019 and thereafter reappropriate the funds from the Reserve Fund to the Police Department’s Office and Administrative account for the purchase of desktop computer replacements to be utilized throughout the Police Department.
- Reappropriate approximately \$1.33 million from the uncommitted balance remaining in the various accounts within the Police Department Grant Fund as identified in Attachment 5 of this report.
- Reappropriate 2018-19 unspent funds in the amount of \$47,635.39 from Narcotics Analysis Laboratory Trust Fund Expenditure Plan 21 for civilian overtime to support the narcotics casework of Forensic Science Division personnel (C.F. 18-0600-S165).

#### 2019-20 MICLA

- Reapprove the use of \$1,415,000 million in Municipal Improvement Corporation of Los Angeles (MICLA) financing provided in the 2019-20 Adopted Budget for the acquisition of 41 specialized vehicles.

Equipment Description/Qty.	Budgeted Amount
Under Cover Vehicles – 20	\$680,000
DP Sedans - 21	\$735,000
<b>TOTAL</b>	<b>\$1,415,000</b>

- Reapprove the use of \$6,380,323 million in Municipal Improvement Corporation of Los Angeles (MICLA) financing provided in the 2019-20 Adopted Budget for the purchase of one Airbus H125 helicopter.

#### **DD. Public Accountability** **No Recommendation**

This Office projects the Office of Public Accountability to complete the year with a surplus of \$296,100, primarily within the Salaries General account due to a delay in hiring.

This Office projects that the Department’s General Fund revenue budget of \$5.06 million will fall short by approximately \$0.80 million by year-end. The shortfall is attributed to the timing of billings

and existing vacancies. The revenue is received from the Department of Water and Power as reimbursement based on actual billings for OPA salaries and expenditures and is completed twice per Fiscal Year. No revenue receipts are reported to date.

#### **EE. Public Works/Board**

##### **Attachment 7 – Transfers between Accounts within Departments and Funds**

This Office projects a net year-end overspending of \$672,310, which includes \$349,405 in General Fund and \$322,905 in Special Funds. The projected overspending is attributed to the recently approved labor agreements and unbudgeted retirement payouts of two high level employees. At this time, it is uncertain if the Special Fund overspending can be fully offset as positions become vacant later in the fiscal year or if a supplemental General Fund appropriation will be required. This Office will work with the Board to develop a strategy to address the projected overspending and mitigate impacts to the General Fund.

The Board will mitigate the continued demand in Emergency Sewer Repair work, which has created a backlog in the Bureaus of Engineering and Contract Administration and the Board's Office of Accounting. The Board plans to address this issue by utilizing accountants employed through temporary staffing services and in the Board's 2020-21 Proposed Budget.

This Office recommends the following transaction:

- Transfer \$50,000 within the Board's Salaries General account to the Contractual Services account to pay for temporary employment agency services to mitigate the backlog of invoice processing in the Office of Accounting.

#### **FF. Public Works/Bureau of Contract Administration**

##### **No Recommendation**

This Office projects a net year-end surplus of approximately \$1.0 million (\$429,346 in General Fund and \$593,412 in special funds). This is primarily due to salary savings from existing vacancies. The composition of this surplus may change as the Bureau receives updated workload schedules and project information. Additionally, the Bureau is projecting an over-expenditure of approximately \$640,000 in the Sewer Capital and Maintenance Fund due to an increased demand for services. A supplemental special fund appropriation may be requested at a later date to cover these expenses.

The Bureau's General Fund revenue budget is \$32.9 million. The Bureau currently projects a year-end shortfall of approximately \$450,000 due to a reduced need for Bureau inspection services by the Port of Los Angeles.

## **GG. Public Works/Bureau of Engineering No Recommendation**

This Office projects a year-end surplus of \$4.4 million, primarily in Special Funds. The surplus is mainly attributable to projected special fund vacancies, primarily in the Sewer Capital Fund, Stormwater Pollution Abatement Fund, Special Gas Tax Improvement Fund, and Proposition C. Of a total of 138 vacancies, approximately 87 are special funded.

At this time, the Bureau anticipates meeting its General Fund revenue budget of \$52.4 million by year end. The Bureau has a General Fund receipts through the end of August total \$4.3 million, which represents 8.3 percent of its total Revenue Budget. Of this amount, the Bureau has collected \$1.8 million in related cost reimbursements, which represents 6 percent of its \$32.0 million revenue target. This Office expects to update the Bureau's revenue target based on historical trends at the next FSR.

## **HH. Public Works/Bureau of Sanitation Attachment 7 – Transfers between Accounts within Departments and Funds Attachment 8 – Transfers between Departments and Funds**

This Office projects a net year-end surplus of \$11.9 million, which is comprised of special fund savings primarily in the Salaries General account as a result of vacancies within the Bureau and General Fund overspending of \$208,533. The General Fund expenditure gap is due to the inadvertent release of prior-year encumbrances related to homeless clean ups. The Bureau is currently reporting 637 vacancies, an 18.7 percent vacancy rate. The year-end expenditure projections are based on an aggressive hiring plan. As a result of the high number of vacancies, the Bureau is projecting overspending in the Salaries Overtime (\$2.4 million) and Salaries As-Needed (\$2.6 million) accounts to be addressed by the recommendations contained in this report. This Office will monitor the Bureau's hiring efforts and report back in subsequent FSRs on the status of the salary surplus and any additional transfer required to meet the Bureau's operational needs. Further, this Office will work with the Bureau to identify potential savings to offset the current General Fund liability of \$208,533.

This Office anticipates that the Bureau will meet its General Fund revenue budget of \$143.9 million by year-end.

The Bureau is expecting to receive Measure W funds, however, the County has indicated those transfers may occur later in the fiscal year than originally anticipated. This Office will monitor and report regarding potential impacts, as needed.

In 2018-19, the Bureau did not receive an appropriation from Proposition O for Proposition O-related work, which resulted in a salary shortfall subsequently covered by the Stormwater Pollution Abatement Fund in the amount of \$612,873 and the Sewer Construction and Maintenance Fund in the amount of \$618,368 for a total of \$1,231,241. The Proposition O staffing report is currently pending before Council (C.F. 13-1526). For 2019-20, the Bureau is anticipating an appropriation of

\$660,000 for Proposition O-related work. If the appropriation is not received in 2019-20, this will likely result in a Reserve Fund loan of approximately \$660,000.

The following transactions are recommended at this time:

- Transfer \$61,500 from the Bureau's Operating Supplies account to the Bureau's Printing and Binding account for the costs of printing associated with the Clean Street Parking Notification program.
- Transfer \$45,000 from the Bureau's Operating Supplies account (Central Recycling Transfer Station Fund (CRTF)) to the Bureau's Contractual Services account (CRTF) for the recycLA program.
- Transfer \$2.0 million from the Bureau's Salaries General account (Sewer Operations and Maintenance Fund (SCMO)) to the Bureau's Overtime General Salaries account (SCMO) to address projected over-expenditures in overtime to maintain service levels.
- Transfer \$500,000 from the Bureau's Salaries General account (SCMO) to the Bureau's Salaries General (\$200,000), Salaries As-Needed (\$100,000), and Overtime General (\$200,000) accounts (SCMC) to address projected over-expenditures in the Sewer Capital Fund.
- Transfer \$643,000 from the Bureau's Salaries General account (SCMO) to the Bureau's Hiring Hall Salaries (\$407,500) and Hiring Hall Benefits (\$235,500) accounts (SCMO) to hire 12 trade workers to perform spot and preventative maintenance at the City's four water reclamation plants.
- Transfer \$1,174,389 from the (Central Los Angeles Recycling and Transfer Station (CLARTS)) Community Amenities account within the SWRF (\$874,389) and CRTSF (\$300,000) to the City Clerk's Contractual Services account to implement community beautification projects in Council District 14, pursuant to Los Angeles Administrative Code 5.540.1(c).

## **II. Public Works/Bureau of Street Lighting**

### **Attachment 8 – Transfers between Departments and Funds**

This Office projects a net year-end special fund surplus of \$86,384 primarily due to salary savings from existing vacancies. The Bureau is currently projecting over-expenditures of approximately \$500,000 in the Special Gas Tax Fund due to an increased workload in the Copper Wire Theft Replacement Program. This Office will work with the Bureau to develop a funding strategy to address this issue. A General Fund impact is not anticipated at this time.

This Office anticipates that the Bureau will meet its General Fund revenue budget of \$14.4 million. Further, we anticipate the Bureau's special fund revenue will be on budget.

In the 2018-19 Year-End FSR, we identified a General Fund liability to the Street Lighting Maintenance Assessment Fund (SLMAF) due to a technical error between the Supply Management System (SMS) and the Financial Management System (FMS) which resulted in double charging. At the time, we reported that the Controller and the Bureau of Street Lighting had resolved the problem in the 2019-20 budget. The implementation of the solution has taken longer than anticipated. This Office will report back in a future FSR should there be any residual fiscal impact.

This Office recommends the following transactions:

- Transfer \$1,133,000 between appropriation accounts within the MICLA 2016 and 2017 Streetlights Construction Funds to continue the Bureau's High Voltage Conversion Program.
- Transfer \$20,066 from the Measure M Local Return Fund to the Reimbursement From Other Funds – General revenue account in the Street Lighting Maintenance Assessment Fund to reimburse expenditures from design work performed for the Complete Streets Program.

#### **JJ.Public Works/Bureau of Street Services**

##### **Attachment 6 – New Appropriations**

##### **Attachment 7 – Transfers between Accounts within Departments and Funds**

##### **Attachment 8 – Transfers between Departments and Funds**

##### **Recommendation No. 11**

This Office is projecting total year-end overspending of approximately \$0.54 million (\$0.93 million overspending in Special Funds and a \$0.39 million surplus in General Fund). This is due to a minor surplus in various salary (\$0.14 million) accounts and projected overspending in expense (\$0.68 million) accounts. The recommendations in this FSR will eliminate the projected special fund overspending and eliminate the General Fund surplus.

This Office anticipates that the Bureau will meet its General Fund revenue budget of \$64.42 million. General Fund receipts through the end of August 2019 totaled \$1.29 million (\$0.99 million in assessment and fees and \$0.30 million in related costs reimbursement), which represents two percent of its total revenue budget of \$64.42 million. Approximately \$48.88 million (76 percent) of the Bureau's revised revenue target is related costs reimbursement.

##### **Street Damage Restoration Fee Fund**

This Office recommends that the Controller decrease appropriations totaling \$34.31 million within the Street Damage Restoration Fee Fund (SDRF) to reconcile budgetary appropriations with available cash. This reduction is necessary as the fund is over-appropriated and there is insufficient cash to back these appropriations. This recommendation is an administrative action with no programmatic impact anticipated. The \$34.31 million is largely attributed to a \$29.85 million appropriation to the UB, Contingent Funding account that was contingent on the receipt of SDRF revenue in 2018-19. This revenue was not realized due to delays in the implementation of the SDRF fee Ordinance. Further, the remaining \$4.46 million is attributed to prior SDRF appropriations

from fiscal years 2009 through 2018 that were unspent by the departments and now have no cash to back them.

The following transactions are recommended at this time:

- Transfer of \$247,030.19 from the Bureau's Salaries General account (General Fund) to the Public Works Trust Fund as the final payment for the 2008-09 BSS SAFETEA-LU project per Council File No. 09-0120.
- Transfer of \$117,000 from the Bureau's Contractual Services account (General Fund) to the Department of Airports (LAWA) for the annual payment for the Imperial Highway street work required by the MOU between LAWA and the Bureau.
- Appropriate \$800,000 from the Road Maintenance and Rehabilitation Special Fund (SB1) to the Bureau for the Asset Management and Inventory System.
- Reimburse a total of \$1,871,980.70 in Special Events costs associated with Special Events held from January 2018 through June 2019 from the Subventions and Grants Fund to various City departments as noted in Attachment 6.
- Reimburse a total of \$2,607,182.72 in Special Events costs associated with the Rams Games from the Subventions and Grants Fund to various City departments as noted in Attachment 6.
- Reimburse a total of \$990,218.78 in Special Events costs associated with the USC Events from the Subventions and Grants Fund to various City departments as noted in Attachment 6.
- Transfer \$600,000 from the Bureau's Salaries General account to the Hiring Hall Salaries and Hiring Hall Benefits accounts from various special funding sources to address projected overspending.
- Authorize the Controller to decrease appropriations totaling \$34,311,473.85 within the Street Damage Restoration Fee Fund to reconcile budgetary appropriations with available cash.

## **KK. Recreation and Parks**

### **No Recommendation**

This Office is projecting a year-end Special Fund surplus of approximately \$257,000, primarily resulting from a projected year-end surplus of approximately \$6.96 million in the Salaries General account due to a high attrition rate and vacancies. The projected surplus may be necessary to offset the projected overspending in the following accounts:

- Overspending is projected in the Salaries As-Needed (\$4.211 million), Salaries Hiring Hall



(\$1 million), Benefits Hiring Hall (\$500,000) accounts due to insufficient full-time staff, emergency shelter operations (fire, storm, and extreme heat), retroactive payments and salary increases for the new MOU salary adjustments, and other unexpected program and event needs.

- Overspending is also projected in the Contractual Services account (\$1 million) for security services at Pershing Square. The Pershing Square Park and Garage Special Fund provided \$1 million to the Department to provide security services at Pershing Square. Due to delays in hiring sufficient Park Rangers, the \$1 million transfer to the Contractual Services account is necessary to provide security services through private vendors.

The Department anticipates meeting its Special Fund revenue budget of \$50.91 million at this time.

#### **LL. Transportation**

##### **Attachment 6 – New Appropriations**

##### **Attachment 7 – Transfers between Accounts within Departments and Funds**

##### **Attachment 8 – Transfers between Departments and Funds**

##### **Recommendation No. 16**

This Office projects a year-end surplus of \$12.4 million in Special Funds, primarily in the Salaries General account. It is anticipated that this surplus will be significantly reduced over the coming months as the Department of Transportation (LADOT) continues to address the ongoing structural imbalance in the Overtime General account due to increases in overtime traffic control services for special events and safety-related projects, and as LADOT continues to fill various vacancies throughout the Department with the additional Personnel support authorized in the Budget. At the end of August 2019, LADOT had 366 vacancies.

This Office projects a year-end revenue shortfall of \$4.6 million from the General Fund revenue budget of \$80.1 million. This is due primarily to a reduction in the projected related cost reimbursements associated with recommended transfers from the Salaries General to the Overtime General account in the First FSR. If projected salary surpluses in various Special Funds persist throughout the year, there will be a corresponding shortfall in related cost reimbursements to the General Fund. This Office will continue to monitor and report on hiring and revenue as additional data becomes available.

Parking citation revenue totaled \$23.1 million as of September 2, 2019. Based on a straight projection of revenue, this amount is 8.6 percent above projected collection (\$21.2 million) for this time period. Should this trend continue through year-end, the Department estimates year-end collection of \$134.4 million, or \$10.6 million above the adopted revenue of \$123.8 million. This Office will continue to monitor this revenue source to determine if year-end projections will meet or exceed the 2019-20 budget.

This Office recommends the following transactions:

- Transfer \$500,000 from the Mobile Source Air Pollution Reduction Fund, Open Streets

Program to the Department's Overtime General account to pay for staff overtime associated with Open Streets events.

- Transfer \$200,000 from available cash in the Transportation Review Fee Fund to the Department's Overtime General account to pay for staff overtime associated with expedited reviews of developer plans and processing development review services.
- Transfer \$700,000 from the Measure R Local Return Fund, Pavement Preservation Program account to the Department's Overtime General account to pay for staff overtime associated with the Program.
- Transfer a total of \$1,826,869 from the Department of Transportation Trust Fund to the Department's Overtime General account to reimburse for overtime labor costs for traffic control services associated with special event venues and the City of Pasadena.
- Transfer \$1 million from the Department's Salaries General account (Measure M) to the Overtime General account to address the projected over-expenditures in that account due to overtime on Vision Zero projects.
- Transfer \$1 million from the Department's Salaries General account to the Overtime General account to address the projected over-expenditures in that account due to traffic control services during special events and emergencies, field staff responses to downed traffic signals, and transportation staff reviewing traffic control plans.
- Transfer \$2 million from the Department's Salaries General account (Prop C) to the Overtime General account to address the projected over-expenditures in that account due to overtime for traffic signal repair and maintenance, design plan review, installation of new traffic signals, street resurfacing, and lane restriping.
- Transfer \$55,000 from the Department's Salaries General account to the Travel account to pay for unanticipated travel and training expenses.
- Transfer \$250,000 from the Department's Salaries General account to the Office and Administrative account to pay for computer software license renewals and computer hardware purchases for new employees.
- Transfer \$20,560 from available cash in the Traffic Congestion Relief Act Fund to the ATSAC Control Center Relocation Project account in the ATSAC Trust Fund in order to transfer accrued interest in the idle fund to the identified destination, consistent with prior Council direction per C.F. 18-0270.
- Transfer \$1.1 million from the Department's Salaries General account (Proposition C) to establish Hiring Hall Salaries and Overtime accounts to pay for employee costs associated with the new Electrical Craft Helper classification authorized through Hiring Hall in the

2019-20 Adopted Budget to assist with traffic signal field operations.

- Appropriate a total of \$1,595,000 from the Dockless On-Demand Mobility Program account within the Permit Parking Program Revenue Fund to new accounts to be established for Dockless Mobility Program Contractual Services (\$1,250,000), Dockless Mobility Program Enforcement (\$295,000), and Dockless Mobility Program Materials, Equipment and Supplies (\$50,000) to provide programmatic support, including enforcement, for the program.
- Appropriate \$225,000 from available cash in the Transportation Review Fee Fund to a new account to be established (Travel Behavior – Big Data Platform) to pay for a consultant to develop a cloud-based platform to collect data from mobile devices and other sources to evaluate historical and current travel behavior.
- Transfer \$143,000 from the Special Parking Revenue Fund, Contractual Services account to the Los Angeles Police Department's Overtime Sworn account to provide security services at the Hollywood and Highland parking facility.
- Transfer \$1,332,259 from the Proposition A Local Transit Assistance Fund, Transit Bus Security Services account, to the Los Angeles Police Department's Overtime Sworn and other accounts to provide law enforcement services on LADOT's transit buses, stations, and bus stops.

#### *Other Recommendations*

- Authorize the Department of Transportation to receive and deposit any funds for reimbursement of traffic officer and transportation support services related to the Los Angeles Department of Water and Power's Sunset Bel Air Power Upgrade Project into the Department of Transportation Trust Fund and to transfer and appropriate therefrom to the Department of Transportation's Overtime General account.

#### **MM. Zoo**

##### **Attachment 6 – New Appropriations**

This Office projects that the Department will end the year within budget across all accounts.

The Department has no budgeted General Fund revenues and anticipates meeting its Special Fund revenue budget of \$30 million by year end.

This Office recommends the following transaction:

- Appropriate \$45,000 from the Zoo Enterprise Trust Fund available cash balance to a new account to be established within the Zoo Enterprise Trust Fund and subsequently transfer these funds to the City Administrative Officer Contractual Services account to pay for

elephant assessment costs.

## **2. STATUS OF NON-DEPARTMENTAL FUNDS AND SPECIAL ACCOUNTS**

This section addresses the status of non-departmental expenditures and revenues and highlights issues of concern.

### **A. General City Purposes**

#### **Attachment 7 – Transfers between Accounts within Departments and Funds**

#### **Attachment 8 – Transfers between Departments and Funds**

This Office projects net year-end over-expenditures of \$2.57 million in the payroll accounts within the General City Purposes (GCP) budget, which assumes a transfer to pay for a Los Angeles Fire and Police Pensions System (LAFPP) obligation (\$26,193.34). This over-expenditure amount is comprised of projected over-expenditures in the Medicare Contributions (\$2,333,448) and Social Security accounts (\$253,066) and a surplus in the Pensions Savings Plan (\$20,372) account. Over-expenditures in the Medicare account are attributed to a higher than anticipated employment level, higher average annual salaries, and unbudgeted salary increases for all sworn and the remaining civilian labor agreements. The Social Security account budget assumes an average of 517 employees per pay period, whereas actual employment levels have averaged 541 employees per pay period. Expenditures in these accounts fluctuate throughout the year. Therefore, this Office does not recommend adjustments at this time. We will continue to monitor these accounts and report in the next Financial Status Report.

This Office recommends the following transactions:

- Transfer \$26,193.34 from the Pensions Savings Plan account to the Fire/Police Pension Defrayal account, and transfer therefrom to the Fire Police Pensions Fund to pay for the City's one percent Fire/Police Pension-Tier 5 contribution defrayal costs. When Tier 5 members purchase service credit or pay back missed contributions, the City must pay the Tier 5 Fire and Police Pension Plan (the Plan) one percent of the service credit if the Plan is at least 100 percent actuarially funded at the time the service credit occurred. The Los Angeles Fire and Police Pensions System requests payment for member service buybacks for 2017-18. The service periods which are covered are between January 1, 2002 and June 30, 2006.

Also, see Council Section for additional transfers within the General City Purposes Fund.

### **B. Los Angeles Fire and Police Pensions System**

#### **Attachment 5 – Special Fund Reappropriations**

The Los Angeles Fire and Police Pensions System (LAFPP) requests authority to reappropriate \$175,024.37 in prior year unexpended excess benefit funds to the current year Excess Benefit Fund, Fire and Police Excess Benefits account, to fund the 2019-20 Excess Benefit Plan (EBP). The Excess Benefit Fund is a General Fund obligation and supplements the benefits of certain

retired members of the Fire and Police Pension Plan. The benefits paid by the Excess Benefit Fund represent the difference between the actual benefits owed to the member and the limitations on benefits paid by the Pension System pursuant to Section 415(b) of the Internal Revenue Code. The City generally transmits the annual excess benefit payment to LAFPP as part of the City contribution on July 15. Since the excess benefit is set by the IRS on a calendar year, however, from time to time the amount paid by the City may be over or under the IRS limit and prior year funds are used to provide supplemental funding. The amount requested for reappropriation equals the residual sum from the 2018-19 fiscal year.

Also, see the General City Purposes Fund section for a transfer to the Fire Police Pensions Fund to pay for the City's one percent Fire/Police Pension – Tier 5 contribution defrayal costs.

### **C. Unappropriated Balance (UB)**

#### **Attachment 9 – Appropriations from the UB**

#### **Attachment 10A – Status of the UB – General Accounts**

#### **Attachment 10B – Status of the UB – Non-General Accounts**

With the approval of the adopted budget, the Unappropriated Balance (UB) began with a balance of approximately \$115.4 million. To date, approximately \$9.9 million has been transferred or reappropriated into the UB, while a total of approximately \$8.5 million has been transferred out, thereby leaving a balance of approximately \$116.8 million.

In regards to the UB General Account, a net \$912 has been appropriated through Council action, reducing the General Account balance from \$50,000 to \$49,008.

This report includes recommendations to appropriate \$2.84 million from various UB line items to address expenses including overtime for the Fire Department relative to mutual aid (\$1.50 million), outside counsel (\$0.10 million), revenue studies for the Commission on Revenue Generation (\$0.24 million), and accessible housing retrofits (\$1.0 million). These recommendations reduce the UB to approximately \$113.95 million.

The 2019-20 Adopted Budget includes \$35.0 million in the UB, Reserve for Mid-year Adjustments line item. No transactions are recommended for this item in this report. The current balance increases the City's total reserves to 8.66 percent.

### **D. Human Resources Benefits**

#### **No Recommendation**

Year-end projections for the Human Resources Benefits Fund (Fund) indicate a potential General Fund over-expenditure of \$15.6 million. This potential overspending is due to increased City employer contributions for health care as included in the recently approved labor agreements (\$5.6 million) and increased workers' compensation costs (\$10 million). Projections this early in the fiscal year, however, can be impacted considerably by changes in benefit rates, open enrollment, staff attrition and hiring, and workers' compensation claims resulting in potentially significant expenditure fluctuations by year-end. No additional appropriations are requested at this time. This Office and

the Personnel Department will monitor and report on the status of this Fund in future FSRs.

**E. Liability Claims Account**  
**Attachment 12 – Status of Liability Claims Account**  
**No Recommendation**

The 2019-20 Adopted Budget provided \$90.53 million for Liability Payouts, allocated between two separate accounts - Miscellaneous Liability Payouts (\$80.16 million) and Public Works, Sanitation Liability Payouts (\$10.37 million). Supplemental funding of \$20 million was provided in the Unappropriated Balance (UB) to pay for liability payouts (for both tort liability and tax-related cases) beyond the amount provided in the Liability Claims Account. In addition to the 2019-20 Adopted Budget of \$90.53 million, the Bureau of Sanitation transferred an additional \$13 million to pay for settlement fees related to the case *James Pearl v. City of Los Angeles* and \$90,248 in prior year funding is pending appropriation for the *Independent Living Center* settlement monitoring fees, resulting in a revised 2019-20 Adjusted Budget of \$103.62 million.

Of the \$103.62 million revised budget, an available balance of \$60.48 million (or 58.37-percent) remains, of which \$7.61 million is budgeted for Bureau of Sanitation matters. A total of \$43.14 million has either been expended out of the Liability Claims account or is pending payment. Based on the current and historical expenditure patterns, this Office anticipates that the supplemental funding in the UB will be required prior to the year-end in an amount unknown at this time. This Office will continue to work with the City Attorney's Office in monitoring the account and will report back in a future FSR on the status of the account.

*Ardon Settlement*

The *Ardon vs. City of Los Angeles* matter is a class action which challenged the validity of the City's telephone users tax based on a federal government interpretation of the federal law. The City previously approved a settlement agreement in the matter that capped liability at \$92.5 million, inclusive of all claims, attorney fees, and other costs associated with the administration of this settlement. Of the initial \$50 million appropriation that the City made in 2016, \$28 million remains in the *Ardon* claims account to cover all the claims and the remaining settlement costs. This Office projects that a supplemental General Fund appropriation of approximately \$5 million may be needed in the current year for final claims and settlement costs in this matter.

**3. STATUS OF EMPLOYMENT**

**Employment Level Report**  
**Attachment 11 – Employment Level Report**

Citywide employment authority from all funding sources totaled 37,505 at the end of August for both civilian and sworn classes. There are 32,640 filled positions at the end of August. Departments reported a total of 4,865 vacant positions: 2,560 General Fund and 2,305 special funded.

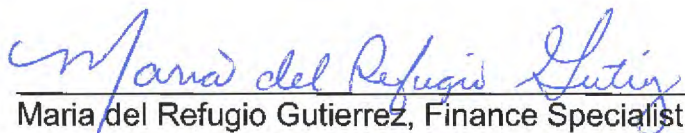


#### 4. STATUS OF THE STATE BUDGET

On June 27, Governor Newsom signed the 2019-20 Budget Act. The 2018-19 Year-End FSR reported on proposed revisions to the state budget with regard to housing production and homelessness. The 2019-20 state budget allocates \$500 million to the California Housing Finance Agency's Mixed-Income Loan Program, which provides loans to builders of housing targeted at low- and middle-income households. In addition, the state budget allocates \$500 million to the Infill Infrastructure Grant Program, which funds infrastructure needed to support higher-density housing built on infill sites. Lastly, the state budget provides \$250 million for planning grants to local governments and regional planning agencies to conduct housing need assessments.

With regard to homelessness, the state budget includes \$650 million in one-time Homeless Housing, Assistance, and Prevention Program (HHAPP) funding for the construction and expansion of emergency shelters and navigation centers, rapid rehousing, permanent supportive housing, job programs, and for innovative projects like hotel/motel conversions. Of this amount, the state will distribute \$275 million to the 13 most populous cities in the state, \$175 million to counties, \$190 million to Continuums of Care, and the remaining \$10 million will be determined at a later legislative session.

This Office will continue to monitor the state budget and will provide updates as necessary.

  
Maria del Refugio Gutierrez, Finance Specialist

APPROVED:



Ben Ceja, Assistant City Administrative Officer

RHL:BC:JWW:MDG01200015c

Attachments

**Attachment 1A**  
**2018-19 General Fund Revenue**  
**Adopted, Revised, and Actual Year-End Receipts**

	(Thousand Dollars)					
	Adopted Budget	Revised Budget	Actual Receipts	Variance from Adopted Budget	Variance from Revised Budget	Comments
Property Tax	\$1,961,509	\$1,984,862	\$2,010,508	\$48,999	\$25,646	Revised upward to include higher growth in secured receipts. Receipts above the revised budget reflect May receipts in excess of the adjusted levy.
Property Tax Ex-CRA Inc.	97,252	71,857	73,971	(23,281)	2,114	Revised budget reduced to reflect impact of legal settlement for CRA-related litigation.
Utility Users' Tax	641,570	657,700	644,152	2,582	(13,548)	Revised upward to reflect DWP estimates for electricity users tax (EUT) and impact of cold weather of gas users tax receipts. EUT final remittances fell short (\$6.9m) due to credits against prior EUT overpayments. The gas users tax shortfall (\$3.7m) reflects the reduction to May remittance for the California Climate Credit. The communication users tax (CUT) shortfall (\$3.0m) can be attributed to the accelerating trend in declining receipts.
Department Receipts (Licenses, Permits, Fees and Fines and Related Cost Reimbursements)	1,128,045	1,114,540	1,129,767	1,722	15,227	Surplus reflects the receipt of Taylor Yard receipts offset by lower Police and Library reimbursements.
Business Tax	590,000	602,000	603,123	13,123	1,123	Revised upward to reflect growth in excess of budgeted receipts for cannabis and non-cannabis activities.
Sales Tax	557,990	571,500	581,443	23,453	9,943	Revised upward to account for delayed receipt of prior-year remittances with implementation of new State automation system and allocation schedule. Surplus receipts may also be attributed to impact of Wayfair decision and recreational cannabis sales.
Documentary Transfer Tax	214,548	211,960	206,211	(8,337)	(5,749)	Receipts reduced to reflect slowing sales. Shortfall attributed to a stall in price appreciation at end of fiscal year.
Power Revenue Transfer	238,000	232,557	232,557	(5,443)	0	
Transient Occupancy Tax	322,160	322,870	318,888	(3,272)	(3,982)	Shortfall attributed to drop in receipts from hotels.
Parking Fines	141,900	129,000	129,900	(12,000)	900	Receipts reduced for fifth year of declining receipts.
Parking Occupancy Tax	118,400	118,400	120,949	2,549	2,549	Receipts are variable and are driven by sporting and special events.
Franchise Income	78,816	82,410	84,314	5,498	1,904	Surplus receipts attributed to natural gas, cable television and solid waste collection franchises.
State Motor Vehicle License Fees	2,127	1,946	1,946	(181)	0	
Grant Receipts	12,003	12,994	11,614	(390)	(1,380)	Shortfall attributed to EWDD, Police and Fire Department grant receipts.
Tobacco Settlement	10,952	10,952	10,616	(336)	(336)	
Residential Development Tax	5,280	5,020	4,918	(362)	(102)	
Special Parking Revenue Transfer	32,116	32,116	32,116	0	0	
<b>Subtotal General Fund</b>	<b>\$6,152,668</b>	<b>\$6,162,683</b>	<b>\$6,196,991</b>	<b>\$44,323</b>	<b>\$34,307</b>	
Interest Income	32,137	36,580	34,099	1,962	(2,481)	
Transfer from Reserve Fund	5,791	5,791	5,791	0	0	
<b>Total General Fund</b>	<b>\$6,190,596</b>	<b>\$6,205,055</b>	<b>\$6,236,881</b>	<b>\$46,285</b>	<b>\$31,826</b>	

## Attachment 1B

### 2019-20 General Fund Receipts Budget, Plan and Actual Receipts through September (Thousand Dollars)

	2019-20 Budget	Plan through September	Receipts through September	Variance from Plan	Comments
Property Tax	\$2,115,611	\$81,560	\$79,536	(\$2,024)	Shortfall attributed to miscellaneous property tax receipts.
Property Tax Ex-CRA Inc.	100,386	-	-	-	
Utility Users' Tax	652,165	180,495	170,668	(5,611)	EUT shortfall (\$3.2m) reflects credit against remittances for prior-year overpayments. CUT shortfall (\$3.4m) represents an acceleration in declining receipts. Gas users tax surplus (\$1.0m) offsets combined shortfall.
Department Receipts (Licenses, Permits, Fees and Fines and Related Cost Reimbursements)	1,226,882	180,887	198,172	17,285	Surplus includes earlier-than-planned reimbursements for Police and Fire, as well as unanticipated State mandate reimbursements. Anticipated shortfalls in related costs and City services billings will offset State mandate receipts.
Business Tax	657,150	40,650	42,339	1,689	Approximately 90% of receipts are recorded after December. Receipts are near plan.
Sales Tax	589,790	147,440	149,285	1,845	Receipts are near plan.
Documentary Transfer Tax	211,960	56,190	63,389	7,199	Surplus currently attributed to renewed price appreciation after several months of stagnant growth. Sales volume continues to decline. Housing trends may decrease surplus.
Power Revenue Transfer	235,600	-	-	-	
Transient Occupancy Tax	326,620	88,350	91,437	3,087	Hotel receipts are near plan. Surplus receipts attributed to short-term rentals.
Parking Fines	123,785	31,040	33,374	2,334	Adopted budget assumed decline from prior-year receipts. Receipts are above plan.
Parking Occupancy Tax	121,900	31,190	30,784	(406)	Monthly receipts are variable. Receipts are near plan.
Franchise Income	80,240	19,098	18,980	(118)	Receipts are near plan.
State Motor Vehicle License Fees	1,946	-	-	-	
Grant Receipts	15,729	1,653	1,367	(286)	Approximately 50% of receipts are recorded in last quarter. Receipts are near plan.
Tobacco Settlement	10,952	-	-	-	
Residential Development Tax	5,020	1,254	1,382	128	Receipts are near plan.
Special Parking Revenue Transfer	57,313	-	-	-	
<b>Subtotal General Fund</b>	<b>\$6,533,049</b>	<b>\$859,807</b>	<b>\$880,713</b>	<b>\$25,122</b>	
Interest Income	36,700	9,174	30,670	21,496	Monthly receipts are variable. Excess interest may be owed to special funds.
Transfer from Reserve Fund					
<b>Total General Fund</b>	<b>\$6,569,749</b>	<b>\$868,981</b>	<b>\$911,384</b>	<b>\$46,619</b>	

**ATTACHMENT 2**  
**SCHEDULE OF REVERSIONS TO RESERVE AND OTHER FUNDS**  
**FYE JUNE 30, 2019**

Dept No.	Department Name	Balance	Reversion to Other Special Funds	Reversion to Reserve Fund
02	Aging	556,280.31	7,864.11	548,416.20
06	Animal Services	872,342.78	6,233.37	866,109.41
08	Building and Safety	15,815,434.42	14,792,492.10	1,022,942.32
10	CAO	4,981,211.50	2,648,092.60	2,333,118.90
11	Public Accountability	408,959.76	0.00	408,959.76
12	City Attorney	1,072,451.47	277,620.37	794,831.10
13	Cannabis	1,741,892.95	1,741,812.37	80.58
14	City Clerk	1,421,077.74	0.00	1,421,077.74
17	City Ethics	220,768.30	220,768.30	0.00
22	Economic and Workforce Dev't	491,053.93	95,710.86	395,343.07
26	Controller	1,588,987.24	26,030.35	1,562,956.89
28	Council	13,522,899.48	1,021.05	13,521,878.43
30	Cultural Affairs	1,629,532.12	1,629,532.12	0.00
32	ITA	7,803,541.00	112,105.73	7,691,435.27
33	El Pueblo	207,277.15	207,277.15	0.00
35	Emergency Management	264,349.35	0.00	264,349.35
36	Employee Relations	52,937.48	0.00	52,937.48
38	Fire	9,657,539.88	3,550,800.00	6,106,739.88
39	Finance	4,135,032.72	9,267.59	4,125,765.13
40	GSD	29,970,240.83	11,731,639.57	18,238,601.26
43	Housing	1,405,165.84	16,186.92	1,388,978.92
46	Mayor	4,313,239.71	544,000.00	3,769,239.71
47	Neighborhood Empowerment	87,322.37	87,322.37	0.00
48	Convention Center	347,404.10	347,404.10	0.00
53	Capital Finance	7,426,700.50	40,722.78	7,385,977.72
54	CIP	79,481,925.71	9,392,998.73	70,088,926.98
56	General City Purposes	29,157,576.84	2,290,523.37	26,867,053.47
58	Unappropriated Balance	13,998,298.67	0.00	13,998,298.67
59	Liability Claims	2,652,801.95	27,168.01	2,625,633.94
60	Water and Electricity	0.00	0.00	0.00
61	Human Resources	4,519,156.91	0.00	4,519,156.91
62	General	8,320,652.56	0.00	8,320,652.56
65	Disability	260,671.58	0.00	260,671.58
66	Personnel	3,696,053.93	866,886.23	2,829,167.70
68	Planning	2,632,741.83	2,424,409.55	208,332.28
70	Police	11,424,991.70	392,455.62	11,032,536.08
74	PW Board Office	8,678,840.57	8,602,215.59	76,624.98
76	PW Bu of Contract Admin	1,367,390.57	1,237,855.02	129,535.55
78	PW Bu of Engineering	6,636,093.13	6,420,150.81	215,942.32
82	PW Bu of Sanitation	17,131,149.03	16,737,634.77	393,514.26
84	PW Bu of St Lighting	1,577,971.26	1,577,971.26	0.00
86	PW Bu of St Services	3,349,135.19	2,432,369.24	916,765.95
87	Zoo	1,410,333.78	1,410,333.78	0.00
94	Transportation	12,676,050.40	8,924,119.62	3,751,930.78
<b>Total</b>		<b>318,965,478.54</b>	<b>100,830,995.41</b>	<b>218,134,483.13</b>

Total 2018-19 Reserve Fund Year-End Reversion	218,134,483.13
2018-19 Reserve Fund Reversion Estimated in the 2019-20 Budget	163,352,000.00
Difference between Actual and Estimated Reversion	<b>54,782,483.13</b>

**ATTACHMENT 3**  
**STATUS OF RESERVE FUND AS OF 10/15/2019**

<b>Council File No.</b>	<b>Item Description</b>	<b>Amount</b>
	<b>Balance Available, 7/1/2019</b>	\$ 407,263,815.06
	<b>Less: Emergency Reserve Account</b>	\$ 180,668,000.00
	<b>Contingency Reserve Account 7/1/2019</b>	\$ 226,595,815.06
	<b>General Fund Appropriation to the Reserve Fund</b>	-
	<b>Loan Repayment and Other Receipts</b>	15,081,608.46
	<b>Contingency Reserve Account</b>	\$ 241,677,423.52
	<b>Loans and Transfers Approved to Date</b>	
CAO Memo	Los Angeles Convention Tourism and Convention Board (LA Inc.)	(2,272,863.92)
15-0010-S19	LAPD - Special Reward Trust Fund (J. Escobar/W. Barrera)	(75,000.00)
19-0022	LAPD Increased Access to Services Program Grant	(25,000.00)
19-0162	LAPD Domestic Violence Assistance Program Grant	(50,000.00)
19-0814	GSD Early Reversion - Petroleum	5,029,132.00
19-0814	GSD - Seventh Street Body Shop	(5,029,132.00)
14-1499-S7, 14-1499-S8, 19-0600-S89, 19-0600-S156, 19-0609 Motion 2a	Sanitation - HOPE/Clean Streets LA Deployment Reappropriation	(129,636.51)
	<b>Loans and Transfers Approved to Date Subtotal</b>	\$ (2,552,500.43)
	<b>Proposed Loans and Transfers</b>	
First FSR	GSD Early Reversion - Petroleum	769,337.00
First FSR	GSD - Assetworks, LLC	(769,337.00)
First FSR	LAPD Early Reversion - Office and Administrative Expense Account	1,469,990.28
First FSR	LAPD - Computer Replacements	(1,469,990.28)
First FSR	CAO - Bridge Housing for Female Transition Aged Youth	(352,245.00)
	<b>Proposed Loans and Transfers Subtotal</b>	\$ (352,245.00)
	<b>Contingency Reserve Available Balance as of 10/15/2019</b>	<b>\$ 238,772,678.09</b>
	<b>Total Emergency and Contingency Reserve Fund</b>	<b>\$ 419,440,678.09</b>

**FOUR-YEAR GENERAL FUND BUDGET OUTLOOK**  
(\$ millions)

	Adopted 2019-20	2020-21	2021-22	2022-23	2023-24
<b>ESTIMATED GENERAL FUND REVENUE</b>					
General Fund Base (1)	\$ 6,190.6	\$ 6,569.7	\$ 6,708.0	\$ 6,887.7	\$ 7,084.6
Revenue Growth (2)					
Property Related Taxes (3)	154.4	95.1	80.0	95.6	99.4
Business and Sales Taxes (4)	98.9	24.2	43.9	45.5	43.2
Utility Users Tax (5)	10.6	3.4	4.5	5.7	6.7
License, Permits, Fees, and Fines (6)	98.8	22.2	31.2	32.0	32.8
Other Fees, Taxes, and Transfers (7)	(3.0)	27.2	20.1	18.1	18.8
SPRF Transfer (8)	25.2	(33.8)	-	-	-
Transfer from the Budget Stabilization Fund (9)	-	-	-	-	-
Transfer from Reserve Fund (10)	(5.8)	-	-	-	-
<b>Total Revenue</b>	<b>\$ 6,569.7</b>	<b>\$ 6,708.0</b>	<b>\$ 6,887.7</b>	<b>\$ 7,084.6</b>	<b>\$ 7,285.5</b>
<i>General Fund Revenue Increase %</i>	<i>6.1%</i>	<i>2.1%</i>	<i>2.7%</i>	<i>2.9%</i>	<i>2.8%</i>
<i>General Fund Revenue Increase \$</i>	<i>379.1</i>	<i>138.3</i>	<i>179.7</i>	<i>196.9</i>	<i>200.9</i>
<b>ESTIMATED GENERAL FUND EXPENDITURES</b>					
General Fund Base (11)	\$ 6,190.6	\$ 6,569.7	\$ 6,674.8	\$ 6,860.5	\$ 7,022.2
Incremental Changes to Base: (12)					
Employee Compensation Adjustments (13)	153.2	72.2	77.6	56.1	46.2
City Employees' Retirement System (14)	70.9	42.6	32.1	22.2	19.3
Fire and Police Pensions (14)	17.2	(2.3)	(18.5)	20.7	25.6
Workers' Compensation Benefits (15)	5.1	7.8	7.8	11.5	17.6
Health, Dental, and Other Benefits (16)	7.8	34.2	53.1	60.5	65.1
Debt Service (17)	(0.1)	(4.0)	0.7	(35.5)	(5.8)
Delete Resolution Authorities (18)	(68.4)	-	-	-	-
Add New and Continued Resolution Authorities (19)	88.9	-	-	-	-
Delete One-Time Costs (19)	(37.3)	(40.4)	-	-	-
Add One-Time Costs (19)	51.7	-	-	-	-
Comprehensive Homeless Strategy (20)	5.2	(19.5)	-	-	-
Unappropriated Balance (21)	(2.9)	(39.7)	-	-	-
City Elections (22)	9.5	(1.3)	7.3	(0.7)	(3.3)
CIEP-Municipal Facilities and Physical Plant (23)	(11.3)	-	-	-	-
CIEP-Sidewalks (24)	(3.4)	3.7	-	5.7	-
CIEP-Pavement Preservation (25)	(2.5)	15.8	3.3	3.4	3.5
Appropriation to the Reserve Fund (26)	7.6	(7.6)	-	-	-
Appropriation to the Budget Stabilization Fund (27)	-	-	-	-	-
Net - Other Additions and Deletions (28)	87.9	43.6	22.3	17.8	17.6
<b>Subtotal Expenditures</b>	<b>\$ 6,569.7</b>	<b>\$ 6,674.8</b>	<b>\$ 6,860.5</b>	<b>\$ 7,022.2</b>	<b>\$ 7,208.0</b>
<i>Expenditure Growth %</i>	<i>6.1%</i>	<i>1.6%</i>	<i>2.8%</i>	<i>2.4%</i>	<i>2.6%</i>
<i>Expenditure Growth \$</i>	<i>379.1</i>	<i>105.1</i>	<i>185.7</i>	<i>161.7</i>	<i>185.8</i>
<b>TOTAL BUDGET GAP (29)</b>	<b>\$ -</b>	<b>\$ 33.2</b>	<b>\$ 27.2</b>	<b>\$ 62.4</b>	<b>\$ 77.5</b>
<i>Incremental Increase \$</i>		<i>33.2</i>	<i>(6.0)</i>	<i>35.2</i>	<i>15.1</i>



**2019-20 ADOPTED BUDGET  
FOUR-YEAR GENERAL FUND BUDGET OUTLOOK (OUTLOOK) FOOTNOTES**

**REVENUE:**

(1) General Fund (GF) Base: The revenue base for each year represents the prior year's estimated revenues.

(2) Revenue Growth: Revenue projections reflect the consensus of economists that the economic recovery will continue and individual economically-sensitive revenues may grow up to six percent. The amounts represent projected incremental change to the base. Any one-time receipts are deducted from the estimated revenue growth for the following fiscal year.

The total projected revenue reflects above average growth in 2019-20 attributed to one-time transfers and new on-going revenue. Subsequent years include average growth.

(3) Property tax growth is projected at 6.2 percent for 2019-20 with average growth for subsequent fiscal years. Documentary Transfer and Residential Development taxes are volatile revenues and have realized large increases in recent years following large declines. Low growth for 2019-20 reflects modest price growth and lower sales. The Outlook includes steady growth in outgoing years as home prices are restrained by affordability.

(4) Business tax and Sales taxes are projected to experience increased growth for 2019-20 based on cannabis-related business and sales activity. Higher growth in Business tax is projected in outgoing years due in part to cannabis-related activity. Sales tax growth is based on available economic forecasts and assumes lower growth in outgoing years based on the continuing shift in spending from tangible goods to services and digital goods and from local to online retailers.

(5) Electricity Users tax reflects increased growth for 2019-20 consistent with estimates provided by the Department of Water and Power, reflecting current assumptions on rates and electricity consumption and adjusted to reflect uncollectable receipts. The outgoing years of revenue are consistent with historical growth.

The 2019-20 low growth in Gas Users tax revenue is based on natural gas prices determined by the futures market. The subsequent years reflect the ongoing forecast of permanently lower revenue as a result of a legal settlement that reduces the tax base.

The decline in Communications Users tax revenue has resumed despite the implementation of AB1717, which recovers lost revenue from the prepaid wireless market, due to aggressive wireless plan pricing and the decrease in landline use.

(6) The projected revenue growth in License, Permits, Fees, and Fines is dependent on policy decisions to increase departmental fees and collect full overhead cost reimbursements. The assumed modest growth is within range of the historical average. The 2019-20 amount reflects new ongoing revenue from LAPD's contract with Los Angeles County Metropolitan Transportation Authority for security services and as-needed and part-time related cost recovery. For 2019-20, reimbursements to the General Fund are based on Cost Allocation Plan 41, which is published by the Controller.

(7) The 2019-20 low growth in Transient Occupancy tax reflects industry forecasts for reduced hotel room demand. Additionally, growth in short-term rental receipts is projected to decline as a result of restrictions implemented by the City's home-sharing policy. The Outlook assumes steady growth for Parking Occupancy tax for 2019-20 and in the outgoing years. The Power Revenue Transfer estimate for 2019-20 is provided by the Department of Water and Power. No growth in this revenue is assumed.

(8) Revenue from the Special Parking Revenue Fund (SPRF) represents the projected surplus that may be available to transfer to the General Fund after accounting for debt service and other expenditures associated with the maintenance, upgrades, and repairs of parking structures, meters, and related assets. The annual base-level surplus is \$23.5 million. Any amounts above this are considered one-time receipts and deducted from the estimated revenue growth for the following fiscal year. The transfer in 2019-20 is \$25.2 million more than the 2018-19 transfer and \$33.8 million above the base-level transfer. The annual base-level transfer is assumed for the outgoing years.

(9) The Outlook does not include any transfers from the Budget Stabilization Fund (BSF). Transfers from the BSF are subject to an available balance and to restrictions set forth in the BSF ordinance. BSF transfers are considered one-time receipts and are deducted from the estimated revenue growth for the following fiscal year.

(10) The Outlook does not include any transfers from the Reserve Fund. The 2019-20 amount reflects a reduction of the \$5.8 million transfer included in the 2018-19 Budget. The 2019-20 Reserve Fund balance is 6.25 percent of General Fund revenues.

#### **ESTIMATED GENERAL FUND EXPENDITURES:**

(11) General Fund Base: The General Fund base carries over all estimated General Fund expenditures from the prior year to the following fiscal year.

(12) Incremental changes to the Base: The 2019-20 amount reflects funding adjustments to the prior fiscal year General Fund budget. The expenditures included for subsequent years are limited to those obligatory and major expenses known at this time and are subject to change.

(13) Employee Compensation Adjustments: The 2019-20 amount includes employee compensation adjustments consistent with existing labor agreements, full funding for partially financed positions from the prior year, and two additional working days in 2019-20. Fiscal years 2020-21 through 2023-24 reflect adjustments of one-time salaries from the prior year, changes in the number of working days, and existing labor agreements with City bargaining units, including the agreement with the Coalition of City Unions, which is pending final Council approval.

(14) City Employees' Retirement System (LACERS) and Fire and Police Pensions (LAFPP): The contributions are based on information commissioned or requested by the CAO from the departments' actuaries and include the employee compensation adjustment assumptions noted above. The LACERS contribution rate is a combination of the Tier 1 and Tier 3 rates, and Tier 3 payroll assumptions. In 2018, the board of administration for LACERS adopted demographic assumption changes, specifically a change to the mortality tables. The contribution rates below include the adopted assumption changes.

Table 1 LACERS and LAFPP						
Assumptions	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>LACERS</b>						
6/30 <sup>th</sup> Investment Returns	0%	7.25%	7.25%	7.25%	7.25%	7.25%
Combined Contribution Rate	28.02%	29.52%	29.80%	30.20%	30.65%	31.05%
<b>Pensions</b>						
6/30 <sup>th</sup> Investment Returns	0%	7.25%	7.25%	7.25%	7.25%	7.25%
Combined Contribution Rate	46.85%	47.37%	46.31%	44.16%	44.56%	45.41%

(15) Workers' Compensation Benefits: The projection is based on a March 2019 actuarial analysis that projects annual medical inflation of three percent and a three percent annual cost increase in permanent disability costs. The State Assessment Fee is projected to be \$11 million. Projections for 2020-21 and beyond are based solely on actuarial analysis.

(16) Health, Dental, and Other Benefits: The projection incorporates all known cost-sharing provisions adopted into labor agreements for the civilian and sworn populations. Net enrollment is projected to increase an average of one percent annually for the civilian and sworn populations. Rate increase assumptions are consistent with historical trends. The projection has also been updated to reflect a delay in implementation of the Affordable Care Act's "Cadillac Tax" to 2022.

(17) Debt Service: The debt service amounts include known future payments from the Capital Finance and Judgment Obligation Bonds budgets. The final debt service payment on all Judgment Obligation Bonds is in 2019-20 and the final debt service payment on all Municipal Improvement Corporation of Los Angeles (MICLA) Los Angeles Convention Center Bonds is in 2022-23.

(18) Resolution Authorities: The deletion line reflects the practice of annually deleting resolution authority positions, which are limited-term and temporary in nature. Funding for these positions is reviewed on a case-by-case basis and renewed if appropriate. Continued or new resolution positions are included in the "Add New and Continued Resolution Authorities" line. Funding is continued in subsequent years to provide a placeholder for continuation of resolution authority positions for various programs and incorporated into the beginning General Fund base of subsequent years.

(19) One-time Costs: The deletion line reflects the practice of deleting programs and costs that are limited-term and temporary in nature each year. Funding for these programs and expenses is reviewed on a case-by-case basis and continued if appropriate. Continued and new one-time funding is included in the "Add One-Time Costs" line. The funding for one-year projects is deleted in 2020-21. The remaining balance is for multiyear projects that are not anticipated to become part of the General Fund base.

(20) Comprehensive Homeless Strategy: This amount represents the increase to the General Fund appropriation for homelessness-related services and expenditures within the context of the City's Comprehensive Homeless Strategy. Expenditures identified as one-time in 2019-20 are deleted in 2020-21.

(21) Unappropriated Balance (UB): One-time UB items are eliminated and only ongoing items are continued to provide a placeholder for various ongoing and/or contingency requirements in the future.

(22) Elections: Pursuant to Charter Amendment 1, the County administers City Elections and the City reimburses the County for its share of the costs. The City continues to perform limited functions related to the elections. The Outlook includes the costs for both the City's work on the elections and the estimated reimbursement to the County. The 2019-20 amount represents costs for a June 2019 special election and funding set aside in the UB for reimbursement to the County for the March 2020 primary election and an August 2019 special election, if necessary. The amounts estimated in 2020-21, 2021-22, 2022-23, and 2023-24 include the estimated cost for a November 2020 general election, March 2022 primary election, November 2022 general election, and March 2024 primary election, respectively.

(23) Capital Improvement Expenditure Program (CIEP) – Municipal Facilities and Physical Plant: The 2019-20 Adopted Budget includes a reduction in funding from the General Fund of \$11.4 million for physical plant related capital projects and a \$0.1 million increase for municipal facilities.

(24) CIEP – Sidewalk: Pursuant to the settlement in the case of *Willits v. City of Los Angeles*, the City is responsible for investing \$31 million annually for sidewalk improvements for the next 30 years, with adjustments of 15.3 percent every five years to account for inflation and material price increases. The 2019-20 decrease of \$3.4 million in General Fund appropriations reflects the availability of special funds to meet the required \$31 million obligation. The 2020-21 increase of \$3.7 million reflects the assumption that the General Fund portion will be increased to \$19.2 million annually, with the balance of the investment covered by other sources of funds. The General Fund appropriation will increase by \$5.7 million in 2022-23 to reflect both the required adjustment and to recognize that proprietary departments' expenditures are expected to decrease as sidewalk repairs are completed at their facilities.

(25) CIEP – Pavement Preservation Program: Total Pavement Preservation Program funding is increased in 2019-20 to \$150.5 million from various sources of funds. Funding in 2019-20 is included in the departments' budgets. It is assumed that the program will continue at that level through 2023-24. To meet this level in 2020-21, an additional \$15.8 million in General Fund will be required. This cost will increase by approximately \$3 million annually in subsequent years.

(26) Appropriation to the Reserve Fund: In certain years, a General Fund appropriation to the Reserve Fund has been budgeted to strengthen the status of the Reserve Fund. The appropriation to the Reserve Fund in 2019-20 is \$7.6 million. No appropriation is included in subsequent years.

(27) Appropriation to the Budget Stabilization Fund (BSF): Per the existing policy, if the combined annual growth for seven General Fund tax revenue sources exceeds 3.4 percent for a given year, the excess shall be deposited into the BSF. Pursuant to the BSF ordinance, the City should adjust the growth threshold in 2019 based on the actual revenues received during the previous five years. The Adopted Budget includes a request for the City Attorney to revise the BSF ordinance to change the annual growth threshold to 4.5 percent.

The appropriation to the BSF may be reduced (1) to maintain the Reserve Fund at five percent; (2) to comply with the City's CIEP policy; (3) if a fiscal emergency is declared; or (4) the policy is suspended by the City Council and the Mayor. For 2019-20, the combined annual ongoing growth in the seven General Fund tax revenue sources is 5.9 percent. Based on the anticipated revised growth revenue threshold of 4.5 percent, the direct transfer from the Reserve Fund to the BSF is \$7 million and an additional \$73 million is used for capital improvements.

(28) Net – Other Additions and Deletions: The 2019-20 amount includes ongoing changes and new regular positions added to the base budget. Among the significant increases are appropriations of \$19 million to Recreation and Parks, \$13 million to the Library, and \$37 million for Police Sworn Overtime. The remaining balance reflects new and increased ongoing costs to a variety of departmental programs. Subsequent years include projected expenditures for the restoration of one-time expenditure reductions, various structured settlements, hotel development incentive agreements, the Body Worn Video Camera Program, LAPD vehicles, and the recycling incentives program.

(29) Total Budget Gap: The Total Budget Gap reflects the projected surplus (deficit) in each fiscal year included in the Outlook.

**ATTACHMENT 5**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**SPECIAL FUND REAPPROPRIATIONS**

		TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT	
<b>Fire</b>	<u>Fund 105/10, Innovation Fund</u>		<u>Fund 100/38, Fire</u>		
Early Intervention Treatment Program	10R138, LAFD Intervention Treatment Program	\$ 153,878.56	001012, Salaries Sworn	\$ 150,000.00	
			006010, Office and Administrative	\$ 3,878.56	
			Subtotal	\$ 153,878.56	
<b>Housing and Community Investment</b>	<u>Fund 44G/43, Affordable Housing Trust Fund</u>		<u>Fund 100/43, Housing &amp; Community Investment (44G/43, 43S143)</u>		
Admin. of USC Housing Fund and Programs	43R143, Housing and Community Investment	\$ 140,455.00	001010, Salaries, General	\$ 122,135.00	
(re-appropriate 2018-19 balances)			006030, Leasing	\$ 18,320.00	
	43R299, Reimbursement of General Fund Costs	\$ 75,393.00	43S299, Reimbursement of General Fund Costs	\$ 75,393.00	
	Subtotal	\$ 215,848.00	Subtotal	\$ 215,848.00	
Re-appropriate 2018-19 unexpended appropriations for software renewals	<u>Fund 240/43, Housing Production Revolving Fund</u>		<u>Fund 100/43, Housing &amp; Community Investment (240/43, 43S143)</u>		
	43R143, Housing and Community Investment	\$ 80,000.00	006010, Office and Administrative	\$ 80,000.00	
<b>Los Angeles Fire and Police Pensions</b>	<u>Fund 918/64, Excess Benefit Fund</u>		<u>Fund 918/64, Excess Benefit Fund</u>		
2018-19 Unexpended Amount	64R700, Fire and Police Excess Benefits (FY 2018-19)	\$ 175,024.37	64R700, Fire and Police Excess Benefits (FY 2019-20)	\$ 175,024.37	
<b>Police</b>	<u>Fund 339/70, Police Department Grant Fund</u>		<u>Fund 100/70, Police</u>		
CF 18-1123, 2018 Selective Traffic Enforcement Program 70R527	70R170, Police	\$ 478,037.00	001092, Overtime Sworn	\$ 465,230.46	
			001090, Overtime General	\$ 12,806.54	
			Subtotal	\$ 478,037.00	
CF 16-1346, National Crime Gun Intelligence Center 70NNC1	<u>Fund 339/70, Police Department Grant Fund</u>		<u>Fund 100/70, Police</u>		
	70R170, Police	\$ 46,418.23	001090, Overtime General	\$ 43,686.28	
			001092, Overtime Sworn	\$ 2,731.95	
			Subtotal	\$ 46,418.23	
CF 17-1437, 2017 DNA Capacity Enhancement and Backlog Reduction Program Grant 70P502	<u>Fund 339/70, Police Department Grant Fund</u>		<u>Fund 100/70, Police</u>		
	70R170, Police	\$ 414,386.21	001090, Overtime General	\$ 414,386.21	

**ATTACHMENT 5**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**SPECIAL FUND REAPPROPRIATIONS**

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
<b>Police continued</b>				
CF 19-0179, 2018 Internet Crimes Against Child. CalOES Grant 70R415	Fund 339/70, Police Department Grant Fund 70R170, Police	\$ 80,918.95	Fund 100/70, Police 001090, Overtime General	\$ 24,068.62
			001092, Overtime Sworn	\$ 56,850.33
			Subtotal	\$ 80,918.95
CF 18-0076, 2017-19 Intellectual Prop. Enforce. Prog. Grant 70P301	Fund 339/70, Police Department Grant Fund 70R170, Police	\$ 1,726.74	Fund 100/70, Police 001092, Overtime Sworn	\$ 1,726.74
CF 19-0182, 2018-20 Intellectual Property Enforcement Program Grant 70R301	Fund 339/70, Police Department Grant Fund 70R170, Police	\$ 50,000.00	Fund 100/70, Police 001092, Overtime Sworn	\$ 50,000.00
CF 18-1122, 2018 Internet Crimes Against Children Task Force Grant 70R416	Fund 339/70, Police Department Grant Fund 70R170, Police	\$ 179,136.00	Fund 100/70, Police 001092, Overtime Sworn	\$ 120,428.00
			001090, Overtime General	\$ 36,326.00
			001012, Salaries Sworn	\$ 22,382.00
			Subtotal	\$ 179,136.00
CF 18-1039, 2018 Port Security Grant 70R555	Fund 339/70, Police Department Grant Fund 70R170, Police	\$ 33,166.08	Fund 100/70, Police 001092, Overtime Sworn	\$ 33,166.08
2018-19 Unspent Narcotics Casework Funds CF 18-0600-S165 Narcotics Analysis Lab. Trust Fund Expend. Plan 21 70R215	Fund 863/70, Narcotics Analysis Laboratory Trust Fund 70R170, Police	\$ 47,635.39	Fund 100/70, Police 001090 Overtime General	\$ 47,635.39
<b>TOTAL ALL DEPARTMENTS AND FUNDS</b>		<b>\$ 1,956,175.53</b>		<b>\$ 1,956,175.53</b>



**ATTACHMENT 6**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**NEW APPROPRIATIONS**

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
<b>Aging</b>	<u>Fund 395/02, Area Plan for the Aging</u>		<u>Fund 100/02, Aging</u>	
Meals Program	02SQ01, Social Services for Seniors	\$ 96,547.00	001010, Salaries General	\$ 96,547.00
<b>Building and Safety</b>	<u>Fund 48R/08, Enterprise Fund, Building and Safety</u>		<u>Fund 100/12, City Attorney</u>	
Review of Various Vendor Transactions	08S204, Reserve for Future Costs	\$ 100,000.00	004200, Litigation Expenses	\$ 100,000.00
<b>City Administrative Officer</b>	<u>Fund 46S/10, Insurance and Bonds Premiums</u>		<u>Fund 46S/10, Insurance and Bonds Premiums</u>	
Contractor Development & Bonding	RSC 4597, Service to Harbor	\$ 180,000.00	10R820, Contractor Development and Bonding Program	\$ 860,840.00
	RSC 4596, Service to Water and Power	\$ 680,840.00		
	Subtotal	\$ 860,840.00		
<b>Council</b>				
Council District 7	<u>Fund 542/14, Jeopardy Balance the Odds Youth Prgm</u>		<u>Fund 100/28, Council</u>	
	Available Fund Balance	\$ 27,443.48	001010, Salaries General	\$ 27,443.48
Council District 14	<u>Fund 53P/28, State AB 1290</u>		<u>Fund 100/28, Council</u>	
	281214, Council District 14	\$ 400,000.00	001070, Salaries As-Needed	\$ 400,000.00
Council District 11	<u>Fund 434/50, Venice Area Surplus Real Property Trust</u>		<u>Fund 100/28, Council</u>	
	50S128, Venice Bridge Home Project	\$ 39,000.00	001070, Salaries As-Needed	\$ 39,000.00
<b>Cultural Affairs</b>	<u>Fund 480/30, Arts &amp; Cultural Facilities &amp; Services Trust Fund</u>		<u>Fund 100/30, Cultural Affairs</u>	
Reappropriations of prior-year balances	30R130, Cultural Affairs	\$ 1,163,166.00	009819, Sony Pictures Media Arts Program	\$ 280,000.00
			009840, LACMA/WATTS Towers Conservation	\$ 150,000.00
			009845, Arts Activation Fund	\$ 200,000.00
			009849, Citywide Exhibits	\$ 130,000.00
			009853, Promise Zone Arts	\$ 13,166.00
			009856, Citywide Mural Art Program	\$ 100,000.00
			009861, International Spirit Concert Program (ISCP)	\$ 60,000.00
			003040, Contractual Services	\$ 100,000.00
			008494, LA Cultural Tourism and Promotion	\$ 95,000.00
			TBD, Employee Training, Productivity and Efficiency	\$ 35,000.00
			Subtotal	\$ 1,163,166.00
ITA Infrastructure work	<u>Fund 480/30, Arts &amp; Cultural Facilities &amp; Services Trust Fund</u>		<u>Fund 100/32, Information Technology Agency</u>	
	30R130, Cultural Affairs	\$ 200,000.00	009350, Communication Services	\$ 200,000.00
<b>Fire</b>	<u>Fund 335/38, Fire Dept Grant Fund</u>		<u>Fund 100/38, Fire</u>	
Measure B Reimbursements	38900G, Measure B - Trauma Program	\$ 204,165.00	RSC 5168, Reimbursement of Prior Year Salaries	\$ 133,912.00
			RSC 5331, Reimbursement of Related Costs - Prior Year	\$ 70,253.00
			Subtotal	\$ 204,165.00

**ATTACHMENT 6**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**NEW APPROPRIATIONS**

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
<b>Housing and Community Investment</b>				
Domestic Violence Administration	<u>Fund 880/43, Domestic Violence Trust Fund</u>		<u>Fund 100/43, Housing and Community Investment (880/43, 43S143)</u>	
	Cash Balance	\$ 3,500.00	006010, Office and Administrative	\$ 3,500.00
	<u>Fund 440/43, Rent Stabilization Trust Fund</u>		<u>Fund 100/39, Office of Finance (440/43, 43S139)</u>	
Credit Card Merchant Fees	Cash Balance	\$ 32,000.00	004040, Bank Service Fees	\$ 32,000.00
	<u>Fund 41M/43, Systematic Code Enforcement Trust Fund</u>		<u>Fund 100/39, Office of Finance (41M/43, 43S139)</u>	
	Cash Balance	\$ 63,000.00	004040, Bank Service Fees	\$ 63,000.00
	<u>Fund 815/43, Municipal Housing Finance Fund</u>		<u>Fund 100/39, Office of Finance (815/43, 43S139)</u>	
	Cash Balance	\$ 5,000.00	004040, Bank Service Fees	\$ 5,000.00
	Subtotal	\$ 100,000.00	Subtotal	\$ 100,000.00
<b>Los Angeles Tourism and Convention Board</b>	<u>Fund 429/10, Los Angeles Convention and Visitors Bureau Trust Fund</u>		<u>Fund 429/10, Los Angeles Convention and Visitors Bureau Trust Fund</u>	
LA Inc. 2018-19 Final Payment	10R504, Unallocated	\$ 992,329.31	10R429, LA Tourism and Convention Bureau	\$ 992,329.31
<b>Police</b>	<u>Fund 44D/70, Forfeited Assets Trust Fund</u>		<u>Fund 100/70, Police</u>	
LA Impact Program Receipts	70S498, Reimbursement to the General Fund	\$ 183,999.23	RSC 5301, Reimbursement From Other Funds	\$ 183,999.23
	<u>Fund 44E/70, Forfeited Assets Trust Fund</u>		<u>Fund 100/70, Police</u>	
LA Impact Program Receipts	70S498, Reimbursement to the General Fund	\$ 160,870.90	RSC 5301, Reimbursement From Other Funds	\$ 160,870.90
<b>Public Works-Street Services</b>				
Asset Management and Inventory System	<u>Fund 59V/50, Road Maintenance and Rehabilitation Special Fund</u>		<u>Fund 100/86, Street Services</u>	
	50SKZC, Asset Management and Inventory System	\$ 800,000.00	003040, Contractual Services	\$ 800,000.00
	<u>Fund 305/50, Subventions and Grants Fund</u>		<u>Fund 100/86, Public Works-Street Services</u>	
Reimb for Special Events	RSRC 465800, Special Events-General	\$ 1,871,980.70	RSRC 465800, Special Events-General	\$ 166,144.00
			<u>Fund 100/86, Public Works-Street Services</u>	
			001090, Overtime General	\$ 103,970.70

**ATTACHMENT 6**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**NEW APPROPRIATIONS**

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Public Works-Street Services continued <i>Reimb for Special Events</i>			<u>Fund 100/94, Transportation</u> 001090, Overtime General	\$ 442,557.02
			<u>Fund 508/50, Solid Waste Resources Fund</u> RSRC 518801, Miscellaneous Revenue-Others	\$ 7,368.50
			<u>Fund 48R/08, Bldg &amp; Safety Permit Enterprise Fund</u> RSRC 3225, Building Permits-Regular	\$ 18,708.40
			<u>Fund 100/38, Fire</u> 001012, Salaries Sworn	\$ 87,341.50
			<u>Fund 100/70, Police</u> RSRC 516100, Reimbursement of Expenditures	\$ 1,045,890.58
			Subtotal	<u>\$ 1,871,980.70</u>
<i>Reimb for Rams Games</i>	<u>Fund 305/50, Subventions and Grants Fund</u> RSRC 465800, One Stop Special Events-Rams	\$ 2,607,182.72	<u>Fund 100/86, Public Works-Street Services</u> RSRC 465800, Special Events-General	\$ 3,120.00
			<u>Fund 100/86, Public Works-Street Services</u> 001090, Overtime General	\$ 15,846.52
			<u>Fund 100/35, Emergency Management Department</u> 001090, Overtime General	\$ 2,585.52
			<u>Fund 100/32, Information Technology Agency</u> 001090, Overtime General	\$ 72,642.34
			<u>Fund 508/50, Solid Waste Resources Fund</u> RSRC 518801, Miscellaneous Revenue-Others	\$ 51,950.06
<i>Reimb for Rams Games</i>			<u>Fund 100/38, Fire</u> 001012, Salaries Sworn	\$ 211,133.00
			<u>Fund 100/70, Police</u> RSRC 516100, Reimbursement of Expenditures	\$ 2,249,905.28
			Subtotal	<u>\$ 2,607,182.72</u>
Public Works-Street Services <i>Reimb for USC Events</i>	<u>Fund 305/50, Subventions and Grants Fund</u> RSRC 465800, Special Events-General	\$ 990,218.78	<u>Fund 100/86, Public Works-Street Services</u> RSRC 465800, Special Events-General	\$ 1,872.00
			<u>Fund 100/86, Public Works-Street Services</u> 001090, Overtime General	\$ 13,469.61
			<u>Fund 508/50, Solid Waste Resources Fund</u> RSRC 518801, Miscellaneous Revenue-Others	\$ 27,214.14

**ATTACHMENT 6**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**NEW APPROPRIATIONS**

		TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT	
<b>Public Works-Street Services continued</b>			<b>Fund 100/70, Police</b>		
Reimb for USC Events			RSRC 516100, Reimbursement of Expenditures	\$ 947,663.03	
			Subtotal	\$ 990,218.78	
<b>Transportation</b>					
Establish Hiring Hall Salary Accounts	<u>100/94, Transportation (Fund 540/94)</u> 001010, Salaries General	\$ 1,100,000.00	<u>100/94, Transportation</u> 001100, Hiring Hall Salaries 001110, Hiring Hall Overtime	\$ 950,000.00 \$ 150,000.00	
			Subtotal	\$ 1,100,000.00	
Establish Dockless Mobility Program Accounts	<u>49C/94, Permit Parking Program Revenue Fund</u> 94RB07, Dockless On-Demand Mobility Program	\$ 1,595,000.00	<u>49C/94, Permit Parking Program Revenue Fund</u> TBD, Dockless Mobility Program Contractual Services TBD, Dockless Mobility Program Enforcement TBD, Dockless Mobility Program Materials, Equipment, & Suppl	\$ 1,250,000.00 \$ 295,000.00 \$ 50,000.00	
			Subtotal	\$ 1,595,000.00	
Travel Behavior Pattern - Big Data Platforms	<u>50Y/94, Transportation Review Fee Fund</u> Cash	\$ 225,000.00	<u>50Y/94, Transportation Review Fee Fund</u> TBD, Travel Behavior - Big Data Platforms	\$ 225,000.00	
Open Streets Program Overtime	<u>528/94, Mobile Source Air Pollution Reduction Fund</u> 9407PR, Open Streets Program	\$ 500,000.00	<u>100/94, Transportation (Fund 528/94)</u> 001090, Overtime General	\$ 500,000.00	
Expedited Development Review Overtime	<u>50Y/94, Transportation Review Fee Fund</u> Cash	\$ 200,000.00	<u>100/94, Transportation (Fund 50Y/94)</u> 001090, Overtime General	\$ 200,000.00	
Pavement Preservation Program Overtime	<u>51Q/94, Measure R Local Return Fund</u> 94SC01, Pavement Preservation Overtime	\$ 700,000.00	<u>100/94, Transportation (Fund 51Q/94)</u> 001090, Overtime General	\$ 700,000.00	
Traffic Control Services at Venues	<u>840/94, Department of Transportation Trust Fund</u> 94R194, Transportation RSRC 4658, Special Events	\$ 855,216.13 \$ 971,653.32	<u>100/94, Transportation</u> 001090, Overtime General	\$ 1,826,869.45	
	Subtotal	\$ 1,826,869.45			
LAPD security at Hollywood and Highland Parking Facility	<u>363/94, Special Parking Revenue Fund</u> 94S050, Contractual Services	\$ 143,000.00	<u>100/70, Police Department</u> 001092, Overtime Sworn	\$ 143,000.00	
LAPD security for DOT Transit Buses	<u>385/94, Proposition A Local Transit Assistance Fund</u> 94SA10, Transit Bus Security Services	\$ 1,332,259.00	<u>100/70, Police Department</u> 001092, Overtime Sworn 003090, Field Equipment Expense 008010, Office and Administrative	\$ 1,327,259.00 \$ 2,800.00 \$ 2,200.00	
			Subtotal	\$ 1,332,259.00	
<b>Zoo</b>	<u>Fund 40E/87, Zoo Enterprise Trust Fund</u>		<u>Fund 100/10, City Administrative Officer (40E/87, 87S110)</u>		
L.A. Zoo Elephant Assessment	TBD, LA Zoo Elephant Assess	\$ 45,000.00	003040, Contractual Services	\$ 45,000.00	
<b>TOTAL ALL DEPARTMENTS AND FUNDS</b>		<b>\$ 18,468,371.57</b>		<b>\$ 18,468,371.57</b>	

**ATTACHMENT 7**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
<b>Building and Safety</b>	<u>Fund 48R/08, Building and Safety</u>		<u>Fund 48R/08, Building and Safety</u>	
Office of Finance Bank Fees	08R607, Bank Fees	\$ 16,655.27	08R139, Office of Finance	\$ 16,655.27
<b>Cannabis Regulation</b>	<u>Fund 100/13, Cannabis Regulation (Fund 60E)</u>		<u>Fund 100/13, Cannabis Regulation (Fund 60E)</u>	
Licensing and Inspection Overtime	003040, Contractual Services	\$ 75,000.00	001090, Salaries Overtime	\$ 75,000.00
<b>Council</b>	<u>Fund 100/28, Council</u>		<u>Fund 100/28, Council</u>	
Operational Needs	001010, Salaries, General	\$ 1,350,000.00	001070, Salaries As-Needed	\$ 1,000,000.00
			006010, Office and Administrative	\$ 350,000.00
			Subtotal	\$ 1,350,000.00
<b>Council District 8</b>	<u>Fund 100/56, General City Purposes Fund</u>		<u>Fund 100/56, General City Purposes Fund</u>	
	000903, Council Comm. Projects-Rita Waller (CD8)	\$ 1,650,000.00	000708, Council District Community Svcs (CD8)	\$ 1,650,000.00
<b>Convention and Tourism Development</b>	<u>Fund 100/48, Convention and Tourism Department (Fund 725/48)</u>		<u>Fund 100/48, Convention and Tourism Department (Fund 725/48)</u>	
FUSE Fellow	001010, Salaries General	\$ 150,000.00	003040, Contractual Services	\$ 150,000.00
<b>Cultural Affairs</b>	<u>Fund 100/30, Cultural Affairs</u>		<u>Fund 100/30, Cultural Affairs</u>	
Summer Arts & Culture Youth Jobs	009785, Summer Arts and Culture Youth Jobs Prog.	\$ 143,148.00	001070, Salaries, As Needed	\$ 143,148.00
Projected intermittent overtime	<u>Fund 100/30, Cultural Affairs</u>		<u>Fund 100/30, Cultural Affairs</u>	
	001010 Salaries General	\$ 60,000.00	001090, Overtime General	\$ 60,000.00
Services	<u>Fund 100/30, Cultural Affairs</u>		<u>Fund 100/30, Cultural Affairs</u>	
	009781, Cultural Grants for Family and Youth	\$ 8,000.00	009861, International Spirit Concert Program (ISCP)	\$ 8,000.00
<b>Economic and Workforce Development</b>				
Asset Management Admin Support	<u>Fund 100/22, Economic &amp; Workforce Development</u>		<u>Fund 100/22, Economic &amp; Workforce Development</u>	
(General Fund)	003040, Contractual Services	\$ 6,085.00	001070, Salaries As Needed	\$ 3,803.00
			001090, Overtime General	\$ 913.00
			006010, Office and Administrative	\$ 1,369.00
			Subtotal	\$ 6,085.00
	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 424)</u>		<u>Fund 100/22, Economic &amp; Workforce Development (Fund 424)</u>	
Community Develop. Trust Fund	003040, Contractual Services	\$ 4,759.00	001070, Salaries As Needed	\$ 2,974.00
Admin Support			001090, Overtime General	\$ 714.00
			006010, Office and Administrative	\$ 1,071.00
			Subtotal	\$ 4,759.00

**ATTACHMENT 7**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	FUND/ACCOUNT	AMOUNT
<b>Economic and Workforce Development</b>			
<i>Workforce Innovation &amp; Opportunity Act Admin Support</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 57W)</u> 003040, Contractual Services	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 57W)</u> 001070, Salaries As Needed 001090, Overtime General 006010, Office and Administrative	\$ 19,859.00 \$ 12,412.00 \$ 2,979.00 \$ 4,468.00 Subtotal \$ 19,859.00
<i>LA RiSE Workforce Innovation Fund Admin Support</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 57C)</u> 003040, Contractual Services	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 57C)</u> 001070, Salaries As Needed 001090, Overtime General 006010, Office and Administrative	\$ 288.00 \$ 180.00 \$ 43.00 \$ 65.00 Subtotal \$ 288.00
<i>General Fund - Various Programs Admin Support</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 551)</u> 003040, Contractual Services	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 551)</u> 001070, Salaries As Needed 001090, Overtime General 006010, Office and Administrative	\$ 679.00 \$ 424.00 \$ 102.00 \$ 153.00 Subtotal \$ 679.00
<i>General Fund Various Programs HIRELA Admin Support</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 551)</u> 003040, Contractual Services	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 551)</u> 001070, Salaries As Needed 001090, Overtime General 006010, Office and Administrative	\$ 338.00 \$ 211.00 \$ 51.00 \$ 76.00 Subtotal \$ 338.00
<i>General Fund Various Programs YSC - Admin Support</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 551)</u> 003040, Contractual Services	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 551)</u> 001070, Salaries As Needed 001090, Overtime General 006010, Office and Admin	\$ 1,154.00 \$ 721.00 \$ 173.00 \$ 260.00 Subtotal \$ 1,154.00
<i>LA County High Risk High Needs Administrative Support</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 45D)</u> 003040, Contractual Services	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 45D)</u> 001070, Salaries As Needed 001090, Overtime General 006010, Office and Administrative	\$ 298.00 \$ 186.00 \$ 45.00 \$ 67.00 Subtotal \$ 298.00



**ATTACHMENT 7**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

		TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	AMOUNT		FUND/ACCOUNT	AMOUNT
<b>Economic and Workforce Development continued</b>					
<i>LA County Youth Jobs</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 56E)</u>			<u>Fund 100/22, Economic &amp; Workforce Development (Fund 56E)</u>	
<i>Administrative Support</i>	003040, Contractual Services	\$ 1,064.00		001070, Salaries As Needed	\$ 665.00
				001090, Overtime General	\$ 160.00
				006010, Office and Administrative	\$ 239.00
				Subtotal	\$ 1,064.00
 <i>LA County Probation Program</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 60A)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 60A)</u>	
<i>Administrative Support</i>	003040, Contractual Services	\$ 25.00		001070, Salaries As Needed	\$ 15.00
				001090, Overtime General	\$ 4.00
				006010, Office and Administrative	\$ 6.00
				Subtotal	\$ 25.00
 <i>LA RISE County Measure H</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 59N)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 59N)</u>	
<i>Administrative Support</i>	003040, Contractual Services	\$ 414.00		001070, Salaries As Needed	\$ 259.00
				001090, Overtime General	\$ 62.00
				006010, Office and Administrative	\$ 93.00
				Subtotal	\$ 414.00
 <i>LA County Juvenile Crime Prevention</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 59X)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 59X)</u>	
<i>Admin Support</i>	003040, Contractual Services	\$ 47.00		001070, Salaries As Needed	\$ 29.00
				001090, Overtime General	\$ 7.00
				006010, Office and Administrative	\$ 11.00
				Subtotal	\$ 47.00
 <i>LA County RELAY Institute Program</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 60L)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 60L)</u>	
<i>Admin Support</i>	003040, Contractual Services	\$ 6.00		001070, Salaries As Needed	\$ 4.00
				001090, Overtime General	\$ 1.00
				006010, Office and Administrative	\$ 1.00
				Subtotal	\$ 6.00
 <i>LA County WIOA</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 59Q)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 59Q)</u>	
<i>Administrative Support</i>	003040, Contractual Services	\$ 27.00		001070, Salaries As Needed	\$ 17.00
				001090, Overtime General	\$ 4.00
				006010, Office and Administrative	\$ 6.00
				Subtotal	\$ 27.00

**ATTACHMENT 7**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

		TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	AMOUNT		FUND/ACCOUNT	AMOUNT
<b>Economic and Workforce Development continued</b>					
<i>DOJ Second Chance Act</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 56T)</u>			<u>Fund 100/22, Economic &amp; Workforce Development (Fund 56T)</u>	
<i>Administrative Support</i>	003040, Contractual Services	\$ 134.00		001070, Salaries As Needed	\$ 84.00
	002130, Travel	\$ 2,000.00		001090, Overtime General	\$ 20.00
	Subtotal	\$ 2,134.00		006010, Office and Administrative	\$ 2,030.00
				Subtotal	\$ 2,134.00
 <i>EWDD Summer Youth Prog- Other Admin Support</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 56L)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 56L)</u>	
	003040, Contractual Services	\$ 24.00		001070, Salaries As Needed	\$ 15.00
				001090, Overtime General	\$ 4.00
				006010, Office and Administrative	\$ 5.00
				Subtotal	\$ 24.00
 <i>EWDD Summer Youth - Other CFE/Citi Admin Support</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 56L)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 56L)</u>	
	003040, Contractual Services	\$ 110.00		001070, Salaries As Needed	\$ 69.00
				001090, Overtime General	\$ 16.00
				006010, Office and Administrative	\$ 25.00
				Subtotal	\$ 110.00
 <i>CA Disability Employment Initiative Admin Support</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 54N)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 54N)</u>	
	003040, Contractual Services	\$ 45.00		001070, Salaries As Needed	\$ 28.00
				001090, Overtime General	\$ 7.00
				006010, Office and Administrative	\$ 10.00
				Subtotal	\$ 45.00
 <i>Gang Injunction Curfew Settlement Admin Oversight</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 10B)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 10B)</u>	
	003040, Contractual Services	\$ 1,469.00		001070, Salaries As Needed	\$ 918.00
				001090, Overtime General	\$ 220.00
				006010, Office and Administrative	\$ 331.00
				Subtotal	\$ 1,469.00
 <i>LA RISE City GF Homeless Program - Admin Support</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 10C)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 10C)</u>	
	003040, Contractual Services	\$ 409.00		001070, Salaries As Needed	\$ 256.00
				001090, Overtime General	\$ 61.00
				006010, Office and Administrative	\$ 92.00
				Subtotal	\$ 409.00
 <i>Mayor's Evolve Fund Admin. Support</i>	 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 62E)</u>			 <u>Fund 100/22, Economic &amp; Workforce Development (Fund 62E)</u>	
	003040, Contractual Services	\$ 21.00		001070, Salaries As Needed	\$ 13.00
				001090, Overtime General	\$ 3.00
				006010, Office and Administrative	\$ 5.00
				Subtotal	\$ 21.00

**ATTACHMENT 7**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	FUND/ACCOUNT	AMOUNT
<b>Economic and Workforce Development continued</b>			
<i>Trade &amp; Economic Transition NDWG</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 62F)</u>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 62F)</u>	
<i>Grant Admin Support</i>	003040, Contractual Services	001070, Salaries As Needed	\$ 69.00
	\$ 111.00	001090, Overtime General	\$ 17.00
		006010, Office and Administrative	\$ 25.00
		Subtotal	\$ 111.00
<i>Department of Labor Youth Reentry Admin</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 59R)</u>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 59R)</u>	
	003040, Contractual Services	001070, Salaries As Needed	\$ 360.00
	\$ 575.00	001090, Overtime General	\$ 86.00
		006010, Office and Admin	\$ 129.00
		Subtotal	\$ 575.00
<i>LA County Project Invest Program</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 60K)</u>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 60K)</u>	
<i>Administrative Support</i>	003040, Contractual Services	001070, Salaries As Needed	\$ 138.00
	\$ 221.00	001090, Overtime General	\$ 33.00
		006010, Office and Administrative	\$ 50.00
		Subtotal	\$ 221.00
<i>Prison to Employment (P2E)</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 62P)</u>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 62P)</u>	
<i>Administrative Support</i>	003040, Contractual Services	001070, Salaries As Needed	\$ 258.00
	\$ 413.00	001090, Overtime General	\$ 62.00
		006010, Office and Administrative	\$ 93.00
		Subtotal	\$ 413.00
<i>Summer Training &amp; Employ. Students</i>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 62Q)</u>	<u>Fund 100/22, Economic &amp; Workforce Development (Fund 62Q)</u>	
<i>Admin Support</i>	003040, Contractual Services	001070, Salaries As Needed	\$ 26.00
	\$ 41.00	001090, Overtime General	\$ 6.00
		006010, Office and Administrative	\$ 9.00
		Subtotal	\$ 41.00
<b>Emergency Management Department</b>	<u>Fund 392/34, Emergency Operations Fund</u>	<u>Fund 392/34, Emergency Operations Fund</u>	
<i>Hardware and Software Upgrades</i>	346010, Office and Administrative	347300, Furniture, Office and Technical Equipment	\$ 360,000.00
<b>Fire</b>	<u>Fund 298/38, MICLA</u>	<u>Fund No. 100/32, Information Technology Agency (298/38, 38S132)*</u>	
<i>ITA Hiring Hall</i>	38S232, Communication Labor	001100, Hiring Hall Salaries	\$ 257,089.00
	\$ 257,089.00	*Controller to reimburse the GF upon receipt of ITA service invoices from MICLA.	
<i>Operational Needs</i>	<u>Fund 100/38, Fire</u>	<u>Fund 100/38, Fire</u>	
	001010, Salaries, General	003090, Field Equipment Expense	\$ 750,000.00
	001050, Unused Sick Time		\$ 250,000.00
	Subtotal		\$ 750,000.00
<b>General City Purposes</b>	<u>Fund 100/56, General City Purposes Fund</u>	<u>Fund 100/56, General City Purposes Fund</u>	
<i>Fire/Police Pension-Tier 5 defrayal costs</i>	000577, Pensions Savings Plan	000823, Fire/Police Pension Defrayal	\$ 26,193.34
	\$26,193.34		

**ATTACHMENT 7**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

		<b>TRANSFER FROM</b>		<b>TRANSFER TO</b>	
<b>REQUESTING DEPARTMENT</b>	<b>FUND/ACCOUNT</b>	<b>AMOUNT</b>	<b>FUND/ACCOUNT</b>	<b>AMOUNT</b>	
<b>Housing and Community Investment</b> <i>Office of Traffic Safety</i>	<u>Fund 100/43, Housing &amp; Community Investment (45C/43, 43S143)</u>		<u>Fund 100/43, Housing &amp; Community Investment (45C/43, 43S143)</u>		
	001010, Salaries General	\$ 81,952.70	001070, Salaries, As Needed	\$ 20,906.42	
			001090, Overtime, General	\$ 9,522.72	
			002120, Printing and Binding	\$ 4,100.00	
			002130, Travel	\$ 3,653.72	
			003040, Contractual Services	\$ 1,580.00	
			006010, Office and Administrative	\$ 26,955.95	
			006030, Leasing	\$ 15,233.89	
			Subtotal	\$ 81,952.70	
<i>Foreclosure Program Expenses</i>	<u>Fund 100/43, Housing &amp; Community Investment (56V/43, 43S143)</u>		<u>Fund 100/43, Housing &amp; Community Investment (56V/43, 43S143)</u>		
	001010, Salaries, General	\$ 170,000.00	001070, Salaries, As-Needed	\$ 2,000.00	
			001090, Overtime, General	\$ 10,000.00	
	43S299, Reimbursement of General Fund Costs	\$ 100,382.00	002120, Printing and Binding	\$ 1,800.00	
	Subtotal	\$ 270,382.00	002130, Travel	\$ 50.00	
			003040, Contractual Services	\$ 90,000.00	
			003310, Transportation	\$ 8,000.00	
			006010, Office and Administrative	\$ 8,000.00	
			006030, Leasing	\$ 150,532.00	
			Subtotal	\$ 270,382.00	
<i>Global Environmental Network Inc.</i> <i>Budget Correction per CF19-0256</i>	<u>Fund 41M/43, Systematic Code Enforcement Trust Fund</u>		<u>Fund 41M/43, Systematic Code Enforcement Trust Fund</u>		
	43S412, Service Delivery	\$ 30,000.00	43S620, Code Enforcement Training	\$ 30,000.00	
<b>Information Technology Agency</b> <i>Salary Accounts</i>	<u>Fund 100/32, Information Technology Agency</u>		<u>Fund 100/32, Information Technology Agency</u>		
	001010, Salaries, General	\$ 580,000.00	001070, Salaries, As-Needed	\$ 80,000.00	
			001090, Salaries, Overtime	\$ 500,000.00	
			Subtotal	\$ 580,000.00	
<i>Citywide Cyber Security Software</i>	<u>Fund 100/32, Information Technology Agency</u>		<u>Fund 100/32, Information Technology Agency</u>		
	006010, Office and Administrative	\$ 300,000.00	003040, Contractual Services	\$ 300,000.00	
<i>Hiring Hall Salaries</i>	<u>Fund 100/32, Information Technology Agency</u>		<u>Fund 100/32, Information Technology Agency</u>		
	009350, Communication Services	\$ 991,655.00	001100, Hiring Hall Salaries	\$ 991,655.00	
<b>Mayor</b> <i>Public Safety Grant</i>	<u>Fund 60R/46, FY2017-18 CalVIP Grant Fund</u>		<u>Fund 100/46, Mayor (Fund 60R/46, 46S299)</u>		
	46R299, Reimbursement of General Fund	\$ 29,930.33	RSRC 5346, Related Cost Reimbursement from Grants	\$ 29,930.33	
<i>Public Safety Grant</i>	<u>Fund 60Q/46, FY2017 ICJR Grant Fund</u>		<u>Fund 60Q/46, ICJR Grant Fund</u>		
	46R965, Department on Disability	\$ 5,000.00	46R304, Contractual	\$ 5,000.00	
<i>Public Safety Grant</i>	<u>Fund 62C/46, FY2018 KU Grant</u>		<u>Fund 62C/46, FY2019 KU Grant</u>		
	46R965, Department on Disability	\$ 504.00	46R304, Contractual	\$ 504.00	

**ATTACHMENT 7**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

		TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT	
<b>Personnel</b>	<u>Fund 100/66, Personnel</u>		<u>Fund 100/66, Personnel</u>		
<i>Training and Professional Develop.</i>	001010, Salaries General	\$ 396,000.00	009570, Training Expense	\$ 396,000.00	
<b>Police</b>	<u>Fund 100/70, Police</u>		<u>Fund 100/70, Police</u>		
<i>Account Adjustments</i>	003090, Field Equipment Expense	\$ 182,400.00	004430, Uniform Equipment and Expense	\$ 182,400.00	
	<u>Fund 100/70, Police</u>		<u>Fund 100/70, Police</u>		
<i>Adjustments: LACMTA Contract</i>	001092, Sworn Overtime	\$ 391,200.00	001090, Overtime General	\$ 391,200.00	
	006010, Office and Administrative	\$ 12,000.00	002120, Printing and Binding	\$ 12,000.00	
	Subtotal	\$ 403,200.00	Subtotal	\$ 403,200.00	
	<u>Fund 100/70, Police</u>		<u>Fund 100/70, Police</u>		
<i>LACMTA Contract (TSA)</i>	003040, Contractual Services	\$ 162,000.00	001092, Sworn Overtime	\$ 102,000.00	
			006020, Operating Supplies	\$ 40,000.00	
			002130, Travel and Training	\$ 20,000.00	
			Subtotal	\$ 162,000.00	
<b>Public Works-Board</b>	<u>Fund 100/74, Board of Public Works</u>		<u>Fund 100/74, Board of Public Works</u>		
<i>Temp, Employment Agency Services</i>	001010, Salaries General (Fund 100)	\$ 10,000.00	003040, Contractual Services (Fund 100)	\$ 10,000.00	
	001010, Salaries General (Fund 760)	\$ 40,000.00	003040, Contractual Services (Fund 760)	\$ 40,000.00	
	Subtotal	\$ 50,000.00	Subtotal	\$ 50,000.00	
<b>Public Works-Sanitation</b>	<u>Fund 100/82, Bureau of Sanitation</u>		<u>Fund 100/82, Bureau of Sanitation</u>		
<i>Clean Streets</i>	006020, Operating Supplies	\$ 61,500.00	002120, Printing and Binding	\$ 61,500.00	
<i>Parking Notification Program</i>					
<i>Recycle LA</i>	<u>Fund 100/82, Bureau of Sanitation</u>		<u>Fund 100/82, Bureau of Sanitation</u>		
	006020, Operating Supplies (CRTF)	\$ 45,000.00	003040, Contractual Services (CRTF)	\$ 45,000.00	
<i>Overtime General Shortfalls</i>	<u>Fund 100/82, Bureau of Sanitation</u>		<u>Fund 100/82, Bureau of Sanitation</u>		
	001010, Salaries General (SCMO)	\$ 2,000,000.00	001090, Overtime General (SCMO)	\$ 2,000,000.00	
<i>Sewer Operations</i>	<u>Fund 100/82, Bureau of Sanitation</u>		<u>Fund 100/82, Bureau of Sanitation</u>		
<i>Capital Fund Shortfalls</i>	001010, Salaries General (SCMO)	\$ 500,000.00	001010, Salaries General (SCMC)	\$ 200,000.00	
			001070, Salaries As Needed (SCMC)	\$ 100,000.00	
			001090, Overtime General (SCMC)	\$ 200,000.00	
			Subtotal	\$ 500,000.00	
<i>Water Reclamation Plants</i>	<u>Fund 100/82, Bureau of Sanitation</u>		<u>Fund 100/82, Bureau of Sanitation</u>		
<i>Hiring Hall Staff</i>	001010, Salaries General (SCMO)	\$ 643,000.00	001100, Hiring Hall Salaries (SCMO)	\$ 407,500.00	
			001120, Hiring Hall Benefits (SCMO)	\$ 235,500.00	
			Subtotal	\$ 643,000.00	

**ATTACHMENT 7**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS**

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
<b>Public Works-Street Services</b>	<u>Fund 100/86, Public Works -Street Services</u>		<u>Fund 100/86, Public Works -Street Services</u>	
<i>Hiring Hall Salaries Overspending</i>	001010, Salaries General (51Q)	\$ 175,000.00	001100, Hiring Hall Salaries (51Q)	\$ 175,000.00
	001010, Salaries General (57F)	\$ 175,000.00	001100, Hiring Hall Salaries (57F)	\$ 175,000.00
	Subtotal	\$ 350,000.00	Subtotal	\$ 350,000.00
	<u>Fund 100/86, Public Works -Street Services</u>		<u>Fund 100/86, Public Works -Street Services</u>	
	001010, Salaries General (51Q)	\$ 125,000.00	001120, Benefits Hiring Hall (51Q)	\$ 125,000.00
<i>Hiring Hall Salaries Overspending</i>	001010, Salaries General (57F)	\$ 125,000.00	001120, Benefits Hiring Hall (57F)	\$ 125,000.00
	Subtotal	\$ 250,000.00	Subtotal	\$ 250,000.00
<b>Transportation</b>	<u>100/94, Transportation (Fund 59C/94)</u>		<u>100/94, Transportation (Fund 59C/94)</u>	
<i>Measure M Overtime Shortfall</i>	001010, Salaries General	\$ 1,000,000.00	001090, Overtime General	\$ 1,000,000.00
<i>Proposition C Overtime Shortfall</i>	<u>100/94, Transportation (Fund 540/94)</u>		<u>100/94, Transportation (Fund 540/94)</u>	
	001010, Salaries General	\$ 2,000,000.00	001090, Overtime General	\$ 2,000,000.00
<i>Overtime General Shortfall</i>	<u>100/94, Transportation</u>		<u>100/94, Transportation</u>	
	001010, Salaries, General	\$ 1,000,000.00	001090, Overtime General	\$ 1,000,000.00
<i>Unanticipated Travel</i>	<u>100/94, Transportation</u>		<u>100/94, Transportation</u>	
	001010, Salaries General	\$ 55,000.00	002130, Travel	\$ 55,000.00
<i>Computer Software License</i>	<u>100/94, Transportation</u>		<u>100/94, Transportation</u>	
<i>Renewals and Hardware</i>	001010, Salaries General	\$ 250,000.00	006010, Office and Administrative	\$ 250,000.00
<b>TOTAL ALL DEPARTMENTS AND FUNDS</b>		<b>\$ 16,524,225.64</b>		<b>\$ 16,524,225.64</b>



**ATTACHMENT 8**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

TRANSFER FROM			TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
<b>Council</b>	<u>Fund 100/56, General City Purposes Fund</u>		<u>Fund 100/70, Police</u>	
<i>Council District 1</i>	000903, Council Comm. Projects-The Wall (CD1)	\$ 500,000.00	001092, Overtime Sworn	\$ 500,000.00
<i>Council District 7</i>	<u>Fund 100/56, General City Purposes Fund</u>		<u>Fund 100/28, Council</u>	
	000903, Council Community Projects (CD7)	\$ 80,000.00	006010, Office and Administrative	\$ 80,000.00
<i>Council District 8</i>	<u>Fund 100/14, City Clerk</u>		<u>Fund 100/28, Council</u>	
	001010, Salaries General	\$ 110,000.00	001010, Salaries General	\$ 110,000.00
<b>Cultural Affairs</b>	<u>Fund 480/30, Arts &amp; Cultural Facilities &amp; Services Trust Fund</u>		<u>Fund 302/89, Recreation and Parks Fund</u>	
<i>Barnsdall Art Park Traffic Study</i>	30S244, Landscaping and Miscellaneous Maint.	\$ 20,000.00	89270K, General Capital; Sub Account BC	\$ 20,000.00
<i>Special Appropriations I Surplus</i>	<u>Fund 100/30, Cultural Affairs</u>		<u>Fund 480/30, Arts &amp; Cultural Facilities &amp; Services Trust Fund</u>	
	009781, Cultural Grants for Family and Youth	\$ 24,700.00	30S130, Cultural Affairs	\$ 24,700.00
<b>Fire</b>	<u>Fund 100/38, Fire</u>		<u>Fund 100/32, Information Technology Agency</u>	
<i>Fire Station Alerting System - ITA</i>	006020, Operating Supplies	\$ 137,571.00	001100, Salaries, Hiring Hall	\$ 111,369.00
			001190, Overtime Hiring Hall	\$ 26,202.00
			Subtotal	\$ 137,571.00
<b>General City Purposes</b>	<u>Fund 100/56, General City Purposes Fund</u>		<u>Fund 915/64, Fire and Police Pensions Fund</u>	
<i>Fire/Police Pension Tier 5 defrayal costs</i>	000823, Fire/Police Pension Defrayal* *(See Attachment 7 for related transfer)	\$ 26,193.34	RSRC, 5188 Miscellaneous Revenue-Others	\$ 26,193.34
<b>Housing and Community Investment</b>	<u>Fund 100/43, Housing &amp; Community Investment (10D/43, 43S143)</u>		<u>Fund 10D/43, Accessible Housing Fund</u>	
<i>Accessible Housing Program</i>	003040, Contractual Services	\$ 1,268,000.00	43S621, Court Monitor	\$ 450,000.00
<i>Transfer of Contractual Funding</i>			43S844, Technical Services	\$ 818,000.00
			Subtotal	\$ 1,268,000.00
<b>Information Technology Agency</b>	<u>Fund 100/32, Information Technology Agency</u>		<u>Fund 508/50, Public Works: Bureau of Sanitation</u>	
<i>Oracle Maintenance</i>	003040, Contractual Services	\$ 90,245.00	RSC 5301, Reimb From Other Funds	\$ 90,245.00
<b>Public Works - Sanitation</b>	<u>Fund 508/50, Solid Waste Revenue Fund</u>		<u>Fund 47S/14, City Clerk</u>	
<i>CLARTS Community Amenities</i>	50S47S, CLARTS Community Amenities	\$ 874,389.00	143040, Contractual Services	\$ 1,174,389.00
	<u>Fund 47R, 50, Central Recycling Transfer Station Fund</u>			
	50R47S, CLARTS Community Amenities	\$ 300,000.00		
	Subtotal	\$ 1,174,389.00		

**ATTACHMENT 8**  
**FY 2019-20 BUDGET ADJUSTMENTS**  
**TRANSFERS BETWEEN DEPARTMENTS AND FUNDS**

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
<b>PW-Street Lighting</b> <i>High Voltage Conversion Program</i>	<u>Fund 26U/10, MICLA 2016 Streetlights Construction Fund</u> RSC 490300, Interest Income-Others	\$ 133,000.00	<u>Fund 26U/50, MICLA 2016 Streetlights Construction Fund</u> 50SLAA, High Voltage Conversion Program	\$ 133,000.00
	<u>Fund 26Y/10, MICLA 2017 Streetlights Construction Fund</u> RSC 490300, Interest Income-Others	\$ 1,000,000.00	<u>Fund 26Y/50, MICLA 2017 Streetlights Construction Fund</u> 50SLAA, High Voltage Conversion Program	\$ 1,000,000.00
<i>Complete Streets Program</i>	<u>Fund 59C/94, Measure M Local Return Fund</u> 94RV35, Street Reconstruction/Vision Zero Projects	\$ 20,065.84	<u>Fund 347/50, Street Lighting Maintenance Assessment Fund</u> RSC 5301, Reimb From Other Funds - General	\$ 20,065.84
<b>Public Works-Street Services</b> <i>PWTF Loan Final Payment</i> <i>2008-09 BSS SAFETEA-LU</i> <i>CF 09-0120</i>	<u>Fund 100/86, Street Services</u> 001010, Salaries General (General Fund)	\$ 247,030.19	<u>Fund 206/50, Special Gas Tax St. Improv.</u> RSC 4903, Interest Income Other	\$ 247,030.19
	<u>Fund 206/50, Special Gas Tax St. Improv.</u> Balance Sheet Acct 2360, Advances From Other Funds	\$ 247,030.19	<u>Fund 834/50, Public Works Trust</u> Balance Sheet Acct 1370, Advance to Other Funds	\$ 247,030.19
<i>LAWA MOU Payment</i>	<u>Fund 100/86, Street Services</u> 003040, Contractual Services (General Fund)	\$ 117,000.00	<u>Fund 700/04, Airport Revenue</u> RSRC 5166, Deposit Receipts-Agency Funds	\$ 117,000.00
<b>Transportation</b> <i>ATSAC Control Center</i> <i>Relocation Project</i>	<u>44Z/94, Traffic Congestion Relief Act Fund</u> Cash	\$ 20,559.61	<u>484/94, ATSAC Trust Fund</u> 94PU13, ATSAC Control Center Relocation Project	\$ 20,559.61
<b>TOTAL ALL DEPARTMENTS AND FUNDS</b>		<b>\$ 5,215,784.17</b>		<b>\$ 5,215,784.17</b>

## ATTACHMENT 9

### FY 2019-20 BUDGET ADJUSTMENTS APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE

APPROPRIATE FROM:	APPROPRIATE TO:	AMOUNT
<b><u>Fund, 100/58, Unappropriated Balance</u></b>		
580197, Outside Council including Workers' Comp.	<u>100/12, City Attorney</u> 009301, Outside Counsel	\$ 100,000.00
580274, Mutual Aid Overtime	<u>Fund 100/38, Fire</u> 001092, Overtime Sworn	\$ 1,500,000.00
580238, Accessible Housing Program Retrofit Contracts (Fund 10D/43S158)	<u>Fund 10D/43, Accessible Housing Fund</u> 43S698, Retrofit	\$ 1,000,000.00
580225, Commission on Revenue Generation (Fund 101/62)	<u>Fund 100/10, City Administrative Officer</u> 003040, Contractual Services	\$ 238,653.00
<b>TOTAL APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE</b>		<b>\$ 2,838,653.00</b>

[illegible]

**ATTACHMENT 10B**  
**STATUS OF UNAPPROPRIATED BALANCE NON-GENERAL ACCOUNT as of 10/15/2019**

Account No.	UB Non-General Accounts	Primary Department	Adopted Budget	Transfer In/ Reapprop.	Appropriated during year	First FSR	Appropriated during year	Second FSR	Mid-Year FSR	Appropriated during year	Year-End FSR	Available Balance
	<b>General Fund</b>											
580001	General (see Attachment 10A)	All	\$ 50,000		(912)							\$ 49,088.00
580132	Equipment, Expense, and Alterations & Improv.	All	4,544,725									\$ 4,544,725.00
580160	Off-site Council and Committee Meetings	Council	-	45,307.44								\$ 45,307.44
580168	Office of Public Accountability Studies	OPA	750,000									\$ 750,000.00
580196	Reserve for Mid-Year Adjustments	All	35,000,000									\$ 35,000,000.00
580197	Outside Counsel including Workers' Comp	City Atty	1,500,000		(60,000)	(100,000.00)						\$ 1,340,000.00
580199	Neighborhood Councils	DONE	168,000									\$ 168,000.00
580225	Commission on Revenue	CAO		389,070.00		(238,653.00)						\$ 150,417.00
580232	Reserve for Extraordinary Liability	All	20,000,000									\$ 20,000,000.00
580237	U.S. Economic Development Administration Grant Obligation	EWDD	1,302,978	1,200,000	(1,200,000)							\$ 1,302,978.00
580241	Franchise Valuation and Health Studies	PW Board		323,000								\$ 323,000.00
580257	Human Resources Payroll System Replacement	ITA		3,000,000								\$ 3,000,000.00
580259	Repayment of Community Development Block Grant Projects	HCID	1,974,594									\$ 1,974,594.00
580263	Homeless Outreach Partnership Endeavor (HOPE) Team	BOS		1,191,489								\$ 1,191,489.00
580265	Animal Services Sterilization Trust Fund	Animal Services	500,000									\$ 500,000.00
580269	Oil Well and Facilities Inspection Program Fee Study	PW Board		50,000								\$ 50,000.00
580271	Climate Change Emergency Mobilization Program	CLA/Council		500,000								\$ 500,000.00
580272	Homeless Services Programs	Mayor & Council		3,248,963								\$ 3,248,963.00
580274	Mutual Aid Overtime	Fire	3,000,000			(1,500,000.00)						\$ 1,500,000.00
580283	Consolidated Municipal Elections	City Clerk	9,800,000									\$ 9,800,000.00
580284	Neighborhood Council Subdivision Elections	City Clerk	250,000									\$ 250,000.00
580285	Pipeline Abandonment Engineering Consulting Services	PW Board	85,000									\$ 85,000.00
580286	Tax Studies	CAO	100,000									\$ 100,000.00
580287	Bank Transition Implementation	Finance	2,000,000									\$ 2,000,000.00
580289	Fire Shelter Safety Devices	Fire	798,868									\$ 798,868.00
580290	Fire Standards of Cover Analysis	Fire	400,000									\$ 400,000.00
580291	Civil and Human Rights Commission	EWDD	500,000									\$ 500,000.00
580292	Police Department Targeted Sworn Recruitment	Police	750,000		(750,000)							\$ -
580293	Police Department Sworn Overtime - Westlake Macarthur Park	Police	554,800									\$ 554,800.00
580294	Police Department Sworn Overtime - Homelessness Initiatives	Police	5,000,000									\$ 5,000,000.00
580295	Recreation and Parks Youth Sports Expansion	Rec & Parks	175,000									\$ 175,000.00
580296	City Attorney Board of Rights Proceeding	City Attorney	250,000									\$ 250,000.00
580299	Recreation and Parks SwimLA	Rec & Parks	1,300,000									\$ 1,300,000.00
580300	Clean Streets LA/HOPE Expansion	Sanitation	6,468,000		(6,468,000)							\$ -
580302	Cannabis - Public Information Campaign and Enforcement	Cannabis	750,000									\$ 750,000.00
580303	Emergency Management Department Oversight	EMD	68,000									\$ 68,000.00
580304	Ground Emergency Medical Transport QAF Program	Fire	5,312,000									\$ 5,312,000.00
580305	Los Angeles Homeless Services Authority Program Expenses	HCID	2,000,000									\$ 2,000,000.00
580307	Office of Petroleum and Natural Gas Administration and Safety	PW Board	68,000									\$ 68,000.00
580308	Climate Change Emergency Projects	CLA	300,000									\$ 300,000.00
580309	Eviction Prevention and Homeless Prevention Services	HCID	2,000,000									\$ 2,000,000.00
			<b>\$ 107,719,965</b>	<b>\$ 9,947,829</b>	<b>(8,478,912)</b>	<b>(1,838,653.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>\$107,350,229.44</b>

**ATTACHMENT 10B**  
**STATUS OF UNAPPROPRIATED BALANCE NON-GENERAL ACCOUNT as of 10/15/2019**

Account No.	UB Non-General Accounts	Primary Department	Adopted Budget	Transfer In/ Reapprop.	Appropriated during year	First FSR	Appropriated during year	Second FSR	Mid-Year FSR	Appropriated during year	Year-End FSR	Available Balance
	<b>Special Funds</b>											
580238	Accessible Housing Program Retrofit Contracts	HCID	6,000,000			(1,000,000.00)						5,000,000
580262	City Hall Lighting Public Art Project	DCA	300,000									300,000
580301	Small Diameter Sewer Construction Program	Sanitation	1,300,000									1,300,000
			\$ 7,600,000	\$ -	\$ -	\$ (1,000,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,600,000
	<b>Grand Total</b>		\$ 115,319,965	\$ 9,947,829	(8,478,912)	(2,838,653.00)	-	-	-	-	\$ -	\$113,950,229.44



**ATTACHMENT 11  
EMPLOYMENT LEVEL REPORT  
FY 2019-20**

Department	Adopted Budget	Position Authorities			Filled Positions			Vacancies	Activated Sub. Auth.
		Start of August	Changes	End of August	Start of August	Changes	End of August		
Aging	44	51	-	51	34	(1)	33	18	-
Animal Services	356	378	2	380	327	(2)	325	55	6
Building and Safety	911	1,091	2	1,093	906	7	913	180	20
Cannabis	5	38	-	38	26	2	28	10	1
City Administrative Officer	119	128	1	129	115	1	116	13	6
City Attorney	906	1,049	1	1,050	983	10	993	57	6
City Clerk	118	119	-	119	110	(3)	107	12	-
City Planning	389	505	-	505	376	(3)	373	132	2
Controller	165	184	-	184	155	(2)	153	31	8
Convention Center and Tourism Dev't	13	15	-	15	9	-	9	6	2
Cultural Affairs	75	85	-	85	61	1	62	23	-
Disability	24	29	-	29	22	-	22	7	-
Economic & Workforce Development	101	165	-	165	125	(2)	123	42	-
El Pueblo	10	10	-	10	8	-	8	2	-
Emergency Management	23	30	-	30	29	-	29	1	-
Employee Relations Board	3	3	-	3	3	-	3	-	-
Ethics Commission	31	32	-	32	26	-	26	6	-
Finance	350	370	-	370	291	(2)	289	81	2
Fire - Civilian	406	442	-	442	375	(3)	372	70	4
Fire - Sworn	3,382	3,512	-	3,512	3,400	(14)	3,386	126	1
General Services	1,424	1,447	1	1,448	1,250	9	1,259	189	4
Housing	591	765	1	766	616	(8)	608	158	3
Information Technology Agency	420	455	-	455	383	(3)	380	75	4
Neighborhood Empowerment	27	34	-	34	29	-	29	5	-
Personnel	500	607	-	607	500	22	522	85	8
Police - Civilian	3,454	3,484	-	3,484	2,976	(13)	2,963	521	4
Police - Sworn	10,552	10,695	-	10,695	9,988	(3)	9,985	710	1
Public Accountability	7	9	-	9	4	-	4	5	-
PW/Board of Public Works	99	117	-	117	102	3	105	12	-
PW/Bureau of Contract Admin	253	421	-	421	338	(6)	332	89	-
PW/Bureau of Engineering	679	956	-	956	807	8	815	141	6
PW/Bureau of Sanitation	3,086	3,412	-	3,412	2,782	(10)	2,772	640	3
PW/Bureau of Street Lighting	210	350	-	350	299	-	299	51	6
PW/Bureau of Street Services	942	1,561	-	1,561	1,157	(6)	1,151	410	8
Transportation	1,397	1,774	-	1,774	1,412	(4)	1,408	366	3
Zoo	260	270	1	271	237	(4)	233	38	4
<b>Subtotal</b>	<b>31,332</b>	<b>34,593</b>	<b>9</b>	<b>34,602</b>	<b>30,261</b>	<b>(26)</b>	<b>30,235</b>	<b>4,367</b>	<b>112</b>
Library	1,101	1,101	-	1,101	1,000	1	1,001	100	-
Recreation and Parks	1,537	1,802	-	1,802	1,413	(9)	1,404	398	265
<b>Subtotal</b>	<b>2,638</b>	<b>2,903</b>	<b>-</b>	<b>2,903</b>	<b>2,413</b>	<b>(8)</b>	<b>2,405</b>	<b>498</b>	<b>265</b>
<b>Total</b>	<b>33,970</b>	<b>37,496</b>	<b>9</b>	<b>37,505</b>	<b>32,674</b>	<b>(34)</b>	<b>32,640</b>	<b>4,865</b>	<b>377</b>

\*Position Authorities-Start of August\* includes resolution authority and substitute positions.

Monthly Summary	Adopted Budget	Position Authorities			Filled Positions			Vacancies	Activated Sub. Auth.
		Start of Month	Changes	End of Month	Start of Month	Changes	End of Month		
July	33,970	37,433	63	37,496	32,716	(42)	32,674	4,822	368
August	33,970	37,496	9	37,505	32,674	(34)	32,640	4,865	377

## STATUS OF LIABILITY ACCOUNTS

Department/Bureau	Account	Budget		Paid	Available Balance After Paid Amounts	Pending Payments	Available Balance Based After Paid and Pending Payments	% to Adjusted Budget (1)
		(A1)	(A2)	(B)	(C=A2+B)	(D)	(E=C+D)	
		2019-20 Adopted Budget	2019-20 Adjusted Budget	Amount	Amount	Amount	Amount	
Fire	009790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
General Services	009791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Police	009792	\$ -	\$ 12,750,000	\$ (575,000)	\$ 12,175,000	\$ (12,175,000)	\$ -	0%
PW/Engineering	009793	\$ -	\$ 4,974,000	\$ (1,525,000)	\$ 3,449,000	\$ (3,449,000)	\$ -	0%
PW/Sanitation	009794	\$ 10,370,072	\$ 23,370,072	\$ (14,047,980)	\$ 9,322,092	\$ (1,715,000)	\$ 7,607,092	33%
PW/Street Services	009795	\$ -	\$ 3,375,000	\$ (2,500,000)	\$ 875,000	\$ (875,000)	\$ -	0%
Recreation & Parks	009796	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Transportation	009797	\$ -	\$ 150,000	\$ -	\$ 150,000	\$ (150,000)	\$ -	0%
Miscellaneous (2)	009798	\$ 80,156,000	\$ 58,997,248	\$ (4,231,108)	\$ 54,766,140	\$ (1,897,349)	\$ 52,868,791	90%
<b>TOTALS</b>		<b>\$ 90,526,072</b>	<b>\$ 103,616,320</b>	<b>\$ (22,879,088)</b>	<b>\$ 80,737,232</b>	<b>\$ (20,261,349)</b>	<b>\$ 60,475,883</b>	<b>58%</b>

**Note:**

(1) Percentage to Adjusted Budget applies to Fire, General Services, Police, PW/Engineering, PW/Sanitation, Recreation & Parks, and Transportation Liability Accounts.

(2) Includes transfers of \$650 from 2016-17 and \$89,598 from 2018-19 for Years 1 and 3 monitoring fees associated with the *Independent Living Center* settlement.

## 2019-20 MICLA EQUIPMENT LIST

DEPT.	UNIT TYPE	FUEL TYPE	QUANTITY	UNIT COST	TOTAL COST
FIRE	Apparatus, 100' Aerial ladder	Diesel	4	\$ 1,286,019	\$ 5,144,076
	Apparatus, Triple Combination	Diesel	4	848,691	3,394,764
	BC/AC Command Vehicle (Emergency)	Diesel	5	142,832	714,160
	Ambulance	Diesel	15	193,924	2,908,860
	Brush Patrol	Diesel	4	195,000	780,000
	Fleet Utility Service Truck	Diesel	1	152,318	152,318
	Sedans (Emergency)	Gasoline	17	41,570	706,690
	Electric Sedans (Non-Emergency)	Electric	20	40,160	803,194
	Pick-Up Truck Crew Cab	Diesel	11	65,360	718,960
	EMS Battalion Command VHC	Gasoline	7	63,600	445,200
	Hazardous Materials Squad	Diesel	1	1,037,000	1,037,000
	Fuel Tender / Air Ops	Diesel	1	758,000	758,000
	Helicopter Auxillary Power Unit APU (no radio)	Diesel	1	60,090	60,090
	Forklift (no radio)	LPG	1	100,000	100,000
	<b>Total Apparatus</b>		92		\$ 17,723,312
<b>Radio Package</b>					
	100' Aerial Ladder Trucks		4	\$ 37,970	\$ 151,880
	Triple Combination		4	37,970	151,880
	Brush Patrol		4	37,970	151,880
	Fuel Tender / Air Ops		1	31,500	31,500
	Ambulance		15	29,085	436,275
	BC/AC Command Vehicle		5	73,083	365,415
	Light Vehicles (NE)		20	6,015	120,300
	Hazardous Materials Squad		1	37,970	37,970
	EMS Battalion Command VHC		7	29,085	203,595
	Light Vehicles (Emergency)		29	21,586	625,993
	<b>Total Communications</b>		90		\$ 2,276,688
<b>FIRE TOTAL</b>					<b>\$ 20,000,000</b>
POLICE	Dodge Charger Emergency Response	Gasoline	20	\$ 36,750.00	\$ 735,000.00
	Honda and Toyota Undercover	Gasoline	20	34,000.00	680,000.00
	<b>Total Vehicles</b>		40		\$ 1,415,000.00
	Airbus H125/Astar Helicopter & Equipment (FLIR, Ra Jet A		1	\$ 6,380,323	\$ 6,380,323
	<b>Total Helicopter w/ Equipment</b>		1		\$ 6,380,323
<b>POLICE TOTAL</b>					<b>\$ 7,795,323</b>
<b>GRAND TOTAL</b>					<b>\$ 27,795,323</b>