

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your

BUDGET AND FINANCE Committee

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to the 2009-10 Third Construction Projects Report.

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

CONCUR with the Information Technology and Government Affairs Committee to approve the recommendations contained in the April 13, 2010 City Administrative Officer (CAO) report, attached to the Council file, relative to the 2009-10 Third Construction Projects Report.

Fiscal Impact Statement: The CAO reports that transfers, appropriations and expenditure authority totaling \$194,546,304 are recommended in the April 13, 2010 CAO report. Of this amount, \$4,856,918 is for transfers and appropriations to the General Services Department, \$643,491 to other City Funds, \$7,338,975 for staff cost reimbursements and \$181,706,920 expenditure authority for Proposition O projects. All transfers and appropriations are based on existing funds, reimbursements or revenues. The estimated impact due to operations and maintenance costs is approximately \$3,008,500 (Attachment No. 6). Of this amount, \$591,500 is an annual General Fund operations and maintenance impact. The balance of \$2,417,000 is associated with Proposition O projects and is projected to be eligible for funding from the Stormwater Pollution Abatement Fund (SPAF). While the SPAF currently receives a subsidy from the General Fund for related costs, it may be possible to fund operations and maintenance costs without increasing the General Fund burden. Since the projects will not come on-line for several years, the CAO will work to reduce any potential General Fund subsidy by identifying operational efficiencies or other special funds to pay for these costs.

Community Impact Statement: None submitted

SUMMARY

At its meeting of June 14, 2010, the Budget and Finance Committee considered the April 13, 2010 CAO Third Construction Projects Report. The CAO report, attached to the Council file, provides recommendations for funding adjustments that are needed to keep construction projects on track. The financial transactions are primarily for projects in the City's Capital Improvement Expenditure Program, various recreational facility projects, General Obligation Bond funded projects such as the Proposition O – Clean Water Bond Program projects, and the Department of General Services construction projects. During discussion of this matter, the CAO representative provided a brief overview of the report recommendations.

After consideration and an opportunity for public comment, the Budget and Finance Committee concurred with the Information Technology and Government Affairs Committee to approve the recommendations contained in the April 13, 2010 City Administrative Officer (CAO) report, attached

to the Council file, relative to the 2009-10 Third Construction Projects. This matter is now forwarded to Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS:	YES
SMITH:	YES
ROSENDAHL:	YES
HUIZAR:	YES
KORETZ:	ABSENT

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-NOT OFFICIAL UNTIL COUNCIL ACTS-