

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

FRANK T. MARTINEZ
City Clerk

KAREN E. KALFAYAN
Executive Officer

When making inquiries
relative to this matter
refer to File No.

06-1661

CD 6

April 3, 2007

Councilmember Cardenas
Councilmember Garcetti
City Attorney (with blue sheet)
Controller, Room 300
Accounting Division, F&A
Disbursement Division
City Clerk, Executive Office
cc: Administrative Services

Office of the
CITY CLERK
Council and Public Services
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CLAUDIA M. DUNN
Chief, Council and Public Services Division
www.cityclerk.lacity.org

RE: ESTABLISHING A COUNCIL DISTRICT 6 PUBLIC BENEFITS TRUST FUND

At the meeting of the Council held March 30, 2007, the following action was taken:

Attached report adopted ..... X
Attached motion ( ) adopted .....
Attached resolution adopted .....
Ordinance adopted .....
FORTHWITH .....
Motion adopted to approve communication recommendation(s) .....

Handwritten signature of Frank T. Martinez

City Clerk
jr



TO THE COUNCIL OF THE  
CITY OF LOS ANGELES

Your **BUDGET AND FINANCE Committee**

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to establishing a Council District 6 Public Benefits Trust Fund.

Recommendations for Council action, as initiated by Motion (Cardenas - Garcetti):

1. REQUEST the City Attorney prepare and present an Ordinance to create a special trust fund to be known as the "Council District 6 Public Benefits Trust Fund" for the receipt, retention and disbursement of gifts, contributions and bequests for the support of public safety and community enhancement activities within Council District 6. The Fund is to be administered by the City Clerk, with expenditures from the Fund to be authorized by the Councilmember representing Council District 6.
2. INSTRUCT the City Clerk to publish a semi-annual activity report on its website of all City Council Public Benefit Trust Funds that details each financial transaction as follows:
  - a. source
  - b. amount of each donation
  - c. details on actual expenditures (how and where funds were spent)
  - d. method to select service provider
3. REQUEST the City Controller to create a new fund entitled "Council District 6 Public Benefits Trust Fund."
4. ACKNOWLEDGE that the source of funding for the Council District 6 Public Benefits Trust Fund will not include any mitigation monies such as would be deposited into the Bradley Land Fill Trust Fund.

Fiscal Impact Statement: None submitted by the Controller. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

**SUMMARY**

At its meeting of March 5, 2007, the Budget and Finance Committee considered Motion (Cardenas - Garcetti) and a Controller report relative to establishing a Council District 6 Public Benefits Trust Fund for the receipt, retention and disbursement of gifts, contributions and bequests for the support of public safety and community enhancement activities within Council District 6. In compliance with the City's Financial Policies, Motion (Cardenas - Garcetti) was referred by the Budget and Finance Committee to the Controller for review and recommendation relative to establishing a new fund.

The Controller reviewed the necessity of creating a new fund using the policy criteria and reports that the revenue sources for the new fund are voluntary gifts, contributions and bequests with no defined revenue stream; the funds are to be used specifically to provide services and enhancements for the communities within Council District 6; there are currently 45 existing trust funds for Council Districts

and of these funds, 37 benefit specific Council Districts or communities. The Controller further reports that the creation of the proposed Trust Fund will have no impact on General Fund revenues. The Controller recommends that if the Council elects to approve the creation of the new fund, that the City Clerk be instructed to publish a comprehensive activity report of each trust fund on a semi-annual basis to provide full disclosure of the respective fund. The Controller recommends that the City Clerk's semi-annual report include the source and amount of each donation, details on actual expenditures, and method to select service providers, where applicable.

During public comment, members of the public expressed concern as to the source of funding for the Council District 6 Public Benefits Trust Fund, as well as how monies deposited into the Fund would be spent, and who would have authority to expend the funds. The speakers were under the impression that mitigation monies from a local development would be the source of funding for the Trust Fund and expressed concern as to how and where the mitigation monies would be spent. The Committee members as well as the City Clerk's representative explained the difference between the Bradley Land Fill Trust Fund and the Council District 6 Public Benefits Trust Fund. The Chair requested, however, that the Committee report note that Bradley Land Fill Trust Fund mitigation monies is not a source of funding for the CD 6 Trust Fund.

During the Committee's discussion, the CAO advised the Committee that a report was being prepared which evaluates and makes recommendations on existing funds that can be eliminated, redirected, etc. The CAO stated that this report should be completed in approximately 60 days. In discussing the Controller's recommendation to publish semi-annual activity reports on the City Clerk's website, the representative from the Office of the City Clerk explained to the Committee the City Clerk's process of scanning all reports that are submitted for Council consideration. The reports are then available to the public on the Council File Index (CFI) site on the City's official website as well as on the City Clerk's website. The Committee advised the City Clerk that the current practice of scanning documents to the CFI site is sufficient.

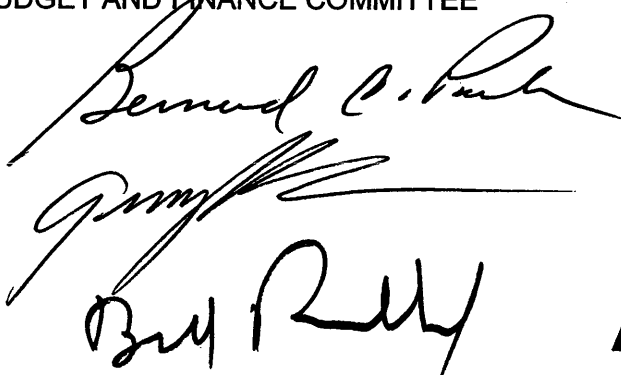
The Budget and Finance Committee recommended adoption of the Motion (Cardenas - Garcetti) relative to establishing a Council District 6 Public Benefits Trust Fund for the receipt, retention and disbursement of gifts, contributions and bequests for the support of public safety and community enhancement activities within Council District 6. The Committee additionally recommended approval of the recommendations contained in the Controller's report relative to instructing the City Clerk to publish semi-annual activity reports, not annual reports as provided by Ordinance, of all City Council Public Benefit Trust Funds, and a request that the Controller establish the Fund. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

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

LB  
#061661  
3/21/07

The image shows three handwritten signatures in black ink. The top signature is the most legible and appears to be "Bernard C. Park". Below it are two other signatures that are more stylized and difficult to read.

REPT.  
**ADOPTED**

MAR 30 2007

**LOS ANGELES CITY COUNCIL**