

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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To: Eric Garcetti, Mayor
Nury Martinez, Council President
Paul Krekorian, Chair, Budget and Finance Committee

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

Reference: 2020-21 Budget

Subject: **SECOND FINANCIAL STATUS REPORT**

SUMMARY

This Office is transmitting the Second Financial Status Report (FSR) for Fiscal Year 2020-21, which provides updated expenditure and revenue projections through October. Historically, the Second FSR is a transactional report, but given the recent surge in COVID-19 cases and the extended Safer at Home Order which is contributing to a worsening revenue outlook, this report also presents a plan and specific reduction proposals to address the City's daunting budget gap. This Office has projected that General Fund revenues are likely to fall short of the 2020-21 Budget by \$600 million and we believe this can get worse. Without knowing the trajectory or end point of the pandemic itself, it is still too difficult to determine the full extent of our revenue shortfall. However, every revenue source has been impacted, and revenues tied to tourism, services, parking, and retail are at risk of further decline. With the reinstated businesses closures, as well as the travel restrictions and reduced City services that are in place now, the revenue shortfall will increase with lower anticipated November and December receipts. Other identified losses not reflected in the October shortfall are currently projected to reduce year-end revenue by \$600 million. These known shortfalls include: reduced departmental receipts; credits against electricity users tax overpayments; a lower Power Revenue Fund transfer; the inability to realize and transfer surplus revenue from the Special Parking Revenue Fund; reduced interest earnings; lower sales tax as estimated by the City's tax consultant; and delinquent property tax payments. The year-end shortfall also includes preliminary year-end projections for other revenues, as based on industry forecasts and department estimates. These estimates will need to be revised to reflect the impact of reinstated restrictions.

In addition to these revenue challenges, the pandemic also provides spending challenges. We have borrowed \$75 million from the Public Works Trust Fund to front-fund the City's COVID response that we must repay during this fiscal year. Combining this to the estimated \$600 million revenue shortfall increases our known pandemic-related budget gap to \$675 million. Additionally, in the absence of federal funding to continue funding COVID relief programs beyond the Coronavirus

Relief Fund's expiration on December 30, we will be required to front-fund any ongoing programs with no realistic possibility of reimbursement during 2020-21. Many of the City's special fund are also falling short on revenues and that may create liabilities on the General Fund. Finally, as always, we must remain prepared to address unanticipated spending needs for any new emergencies or overspending that may yet occur this fiscal year. Therefore, as is the case with revenues, we also face risk on the spending side.

In this report, we present a plan to address this \$675 million pandemic-related budget gap with specific General Fund and special funds reduction proposals that we recommend for immediate action.

Working with all City departments, we developed this plan in response to the instructions issued by the Mayor and City Council. We have noted those reductions that this Office developed independently and those reductions that we developed in collaboration with the departments. If approved, these recommendations will result in deferring or cancelling capital projects, sweeping uncommitted prior-year MICLA proceeds, transferring employees from General Funded positions to special funded vacancies, and implementing a Citywide three percent budget reduction. Of significant note, the proposed reductions include preparation for the elimination of 1,894 filled positions.

These reductions are difficult and will negatively impact City services. The need for immediate action, however, is critical to address the magnitude of this budget gap. Delays in taking actions will result in more severe reductions later in the year.

We have organized the components of the plan into five categories. These categories include General Fund budget reductions, federal reimbursements for our ongoing COVID response, partial use of our remaining General Fund reserves, debt to cover operations, and labor solutions including possible layoffs, exploring additional furlough days, and other meaningful labor concessions. At this time, we recommend the following amounts for each:

General Fund Budget Balancing Plan

Page	Item	Amount (Millions)
	<u>Budget Challenge</u>	<u>\$ 675</u>
	<i>Revenue Shortfall</i>	<i>\$ 600</i>
	<i>Public Works Trust Fund Loan</i>	<i>75</i>
	<u>Solutions</u>	
4	<u>Budget Reductions (non-layoff):</u>	<u>\$ 103</u>
5	<i>Departmental Reductions (non-layoff)</i>	<i>52</i>
18	<i>MICLA Program Budgetary Savings</i>	<i>42</i>
5	<i>Capital Project Reductions - Cash</i>	<i>4</i>
7	<i>Other Non-Departmental Reductions</i>	<i>5</i>
16	<u>COVID Reimbursements (Remaining)</u>	<u>69</u>
17	<u>General Fund Reserves:</u>	<u>259</u>
	<i>Reserve Fund, Entire Contingency Reserve</i>	<i>142</i>
	<i>Budget Stabilization Fund, Entirety</i>	<i>117</i>
18	<u>Debt Options – Working Capital</u>	<u>150</u>
24	<u>Labor Cost Savings:</u>	<u>94</u>
24	<i>Layoffs Required to Meet 3% Reductions</i>	<i>45</i>
25	<i>Labor Concessions, Including Exploring Additional Furloughs</i>	<i>49</i>
	<u>Total Solutions</u>	<u>\$ 675</u>

The magnitude of the individual components of the following plan are fluid, but we believe that addressing this estimated \$675 million General Fund budget gap will require a combination of all five categories. We provide detail regarding each of these categories and their components immediately below.

Following this discussion, we provide updates to the City's revenues, spending, and General Fund reserves to date. In addition to the revenue challenge identified above, we are also experiencing spending above budget across many departments, primarily driven by the deferral of civilian furloughs and departmental front-funding for COVID-19 response activities. As reported below, projected overspending and special fund revenue shortfalls are resulting in a General Fund budget gap of \$128.58 million. We have already identified \$108.15 million in potential solutions, which we have carried forward from the First FSR.

Budget Reductions

Attachment 1 – Summary of Proposed Reductions

Attachment 1A – Departmental Budget Reductions

Attachment 1B – Non-Departmental Budget Reductions

Attachment 2 – Impacts of Proposed Capital Project Reductions

Attachment 2A – Capital Improvement Expenditure Program Budget Adjustments

In total, we recommend actions and reductions to appropriations by a total of \$189.01 million comprised of \$147.66 million from the General Fund and \$41.35 million from various special funds. The reductions include:

- \$82.93 million in departmental reduction, not including the elimination of filled positions, (\$51.88 million in General Fund and \$31.05 million in special funds) (See Three Percent Departmental Reduction Exercise Section for summary, and the Departmental Budget Reductions Section for additional detail).
- \$45.23 million in the elimination of 1,894 filled positions (\$44.73 million in General Fund and \$0.51 million in special funds) (See Labor Cost Savings Section below).
- \$66.84 million in non-departmental reductions, including,
 - \$41.75 million in MICLA program budgetary savings (General Fund) (See Debt Options, MICLA Program Budgetary Savings Section below).
 - \$8.91 million in Capital program cash savings (\$4.13 million in General Fund and \$4.78 million in special funds) (See Capital and Construction Projects Reductions Section below).
 - \$10.18 million in Other Non-Departmental accounts (\$5.18 million in General Fund and \$5.00 million in special funds) (See Non-Departmental Account Reductions Section below).

We have provided a summary of all of the reductions and their impacts in Attachment 1.

In addition, we have proposed reducing our debt financed capital program by \$141.78 million. These reductions do not result in cash savings that the City can use to balance the 2020-21 Budget. They do enable the City to use this debt capacity instead for working capital to bridge this year's budget gap, as discussed in the Debt Options Section below.

The special fund reductions are either to special funds facing fiscal challenges or reductions that will provide relief to the General Fund. While the primary purpose of the recommendations in this report is to address the City's General Fund budget crisis, we will continue to monitor special funds throughout the year and report our concerns and recommendations as necessary.

The City cannot initiate \$189 million in cuts without hurting critical services. Very generally, approximately \$45 million of these reductions are from eliminating currently filled positions, which could result in layoffs. Approximately \$42 million of these reductions are as-needed salary, overtime, and expense account reductions used for public facing services, while about \$2 million are for internal support services. Approximately \$11 million are reductions achieved through delaying, downsizing, or cancelling capital and technology projects. Approximately \$4 million are

from cancelling or delaying various studies. We believe that approximately \$85 million in reductions will not have significant service impacts. These low-impact savings reflect reduced activities in some areas due to the pandemic, early reversions of no longer needed funds, MICLA Program savings, and other general surpluses.

These service impacts, which we discuss in detail in the departmental sections below, exacerbate the service impacts from the retirement of over 1,300 employees through the Separation Incentive Program (SIP). We understand that SIP's impacts differ across departments based on the number of retirements in each. We did not adjust the reduction targets for departments based on their employees' SIP participation rate.

Three Percent Departmental Reduction Exercise

Fiscal Restraint Instruction: The CAO, with all departments, propose specific reductions of three percent of each department's 2020-21 Budget in an upcoming Financial Status Report including reductions related to the layoff evaluation.

This Office has been working with all departments to develop proposals for reductions of three percent from all funding sources in their 2020-21 budgets. This report details these proposals in the Three Percent Budget Reductions Section below, and summarizes them in Attachment 1. While we evaluated reductions across all accounts in an effort to reduce the impact of the proposals, in some cases we recommend reductions to critical services and the elimination of filled positions, which could result in layoffs. We discuss reductions that could cause layoffs, all of which were required to meet the three percent target for those departments, in the Labor Cost Savings section below.

In total, we present departmental reductions proposals that do not impact filled positions and will not result in layoffs totaling \$82.93 million, of which \$51.88 is General Fund reductions and \$31.05 million is from special funds. We recommend that all these reductions to General Fund appropriation be transferred to the Unappropriated Balance, Reserve for Unrealized Revenue, which is a new account not backed by cash in recognition of our projected revenue shortfall. For special fund reductions, we recommend reducing the appropriation in recognition of a fund's likely pandemic-induced revenue shortfall, or where permitted, transferring balances to the General Fund. In either case, the action helps the General Fund by, in the first instance, reducing its risk of having to support the special fund or, in the second instance, by increasing General Fund revenue.

Capital and Construction Project Reductions

Fiscal Restraint Instruction: The CAO, with the Bureau of Engineering and the General Services Department evaluate construction projects and identify those that the City can defer or cancel.

The City's capital program receives funding from a variety of sources and uses both cash and debt. It encompasses physical plant projects, including streets, bridges, alleys and sidewalks, and supports municipal facilities, including field offices, parks, theaters, and office buildings.

This Office reviewed projects and capital expenditures and worked with City departments to identify projects to propose for close-out, deferral, or cancellation. Several of these projects receive financing through the City's MICLA debt program. We discuss those proposals in the Debt Options section below. The reductions we propose in this section will save cash by reducing the level of ongoing maintenance or deferring projects that have not yet begun. These proposals do not include stopping projects in the middle of an ongoing phase. Deferring maintenance and projects, however, does have long-term costs and the City's Financial Policies recognize the importance of maintaining and investing in capital assets.

Through the First FSR, the City Council and Mayor have already approved reductions to a number of physical plant capital projects, including reductions to street work, sidewalks, and alleys. Those reductions were urgent, as many were in special funds that are falling short of budgeted levels. Therefore, this report includes no additional recommendations for balancing those special funds. We will continue to monitor them and propose additional adjustment in upcoming reports, as necessary.

In total, this Office recommends sweeping \$8.91 million from capital projects financed in 2020-21 by cash, of which \$4.13 million will provide General Fund relief, and \$4.78 million will return to special funds. The actions that will generate these savings include sweeping funds that are no longer needed (\$0.76 million) and deferring projects until at least 2021-22, at which point the Mayor and City Council will consider the ability and need to restore funding in the context of future budget processes (\$8.15 million). Attachment 2 lists all proposed reductions by project, amount, and impact.

The \$0.76 million in savings from sweeping funds no longer needed will return entirely to the General Fund (Unappropriated Balance, Reserve for Unrealized Revenue). For only one of the projects for which we recommend sweeping remaining funds is the amount greater than \$25,000 – \$700,000 in savings from the Planning Department's Environmental Impact Report funding for the Downtown District Design Guidelines related to the Civic Center Master Plan. Planning has been able to perform this work in house with existing staff working on related community and general plan updates. Thus, we recommend releasing the funds budgeted to contract for this work.

The \$8.15 million in savings from deferring projects will return to the General Fund (\$3.37 million), PEG Access Capital Costs Account within the Telecommunications Liquidated Damages and Lost Franchise Fees Development Fund (TDA) (\$0.78 million), and the Citywide Recycling Trust Fund (CRTF) (\$4.00 million).

General Fund projects we recommend deferring include:

- Contaminated Soil Removal and Mitigation (\$0.25 million) – The Bureau of Engineering has sufficient funding to perform required work this year, but will need to replace these funds in 2021-22.
- Window Evaluation and Washing (\$0.07 million) – General Services is not ready to use this portion of the funding in 2020-21.

- ADA Lift in Italian Hall (\$0.26 million) – The project is not yet underway and must proceed if El Pueblo is to lease this space.
- Sixth Street Viaduct Park (\$1.00 million) – This funding is necessary to complete this portion of the project but it will not begin until, at earliest, June 2022.
- Yards and Shops Masterplan (\$1.60 million) – Delay project implementation to a later time.
- Zoependous Park Improvements (\$0.20 million) – There is currently insufficient funding to implement this project, although the City may consider additional funding as part of an upcoming Proposition K Request for Proposals (RFP).

The special funded projects we recommend deferring include:

- Channel 35 Studio (\$0.78 million, TDA, PEG Capital) – The project cannot use this amount until the City identifies new funding for the approximately \$30 million project shortfall.
- Central Los Angeles Recycling and Transfer Station (CLARTS) Organic Processing Facility (\$4.00 million, CRTF) – Of the \$5.00 million budgeted for this project in 2020-21, only \$0.50 million is likely to be spent this year.

Non-Departmental Account Reductions

Fiscal Restraint Instruction: The CAO, with relevant departments, identify potential savings in non-departmental accounts including General City Purposes and Water and Electricity.

Consistent with this instruction, this Office evaluated the City's non-departmental accounts and recommends a number of reductions. In total, we recommend reductions totaling \$10.18 million, of which \$5.18 million is from the General Fund and \$5.00 million is from special funds, as described below.

General City Purposes

This Office evaluated the General City Purposes (GCP) Fund and identified surpluses and reductions that will have the least service impacts. We have proposed \$0.30 million in reductions in accounts for which remaining balances are no longer required or that appear to have reduced funding needs based on spending to date, as follows:

- Surpluses within various City membership accounts (\$60,127) – There is no impact to this reduction, as actual membership fees were lower than expected.
- Heritage Month Celebrations (\$220,000) – This reduction is from the General Fund (\$100,000) and the Arts and Cultural Facilities Trust Fund (\$120,000). This will leave a balance of \$524,305, which is sufficient to cover expenditures in 2020-21.
- Official Visits of Dignitaries (\$16,200) – There is no impact to this reduction. The balance from prior year allocations (\$54,362) is sufficient to cover expenditures in 2020-21.

Of the \$0.30 million in GCP reductions, we recommend transferring \$0.18 million to the Unappropriated Balance, Reserve for Unrealized Revenue Account (Attachment 1B). We recommend reducing the GCP appropriation within the Arts and Cultural Affairs Facilities Trust

Fund by \$0.12 million and, as a result, reducing the General Fund appropriation to the Arts and Cultural Affairs Facilities Trust Fund by \$0.12 million, which we will then transfer to the Unappropriated Balance, Reserve for Unrealized Revenue Account.

Unappropriated Balance

This Office reviewed the accounts within the Unappropriated Balance and recommends transferring \$0.33 million from this account to the Unappropriated Balance, Reserve for Unrealized Revenues, as follows (Attachment 1B):

- Climate Change Emergency Mobilization Program (\$240,000) – There is minimal impact to this reduction. The savings reflect delays in hiring and contract execution. In light of the delays in contracting, the Mayor and City Council may need to consider additional funding for contracts as part of the 2021-22 Budget process.
- Commission on Revenue Generation (\$90,417) – This funding was set aside to hire a public relations firm to promote the findings of a Commission on Revenue Generation report. Due to the pandemic, this did not occur. In light of the City's current fiscal condition, we recommend to sweep these funds.

Water and Electricity

The General Services Department identified \$0.97 million in unnecessary prior year encumbrances within the Water and Electricity account for 2017-18 and 2018-19. This Office recommends disencumbering these funds and performing an early reversion to the Reserve Fund.

Business Improvement District Trust Fund

The City Clerk identified a \$0.27 million surplus in the Business Improvement District (BID) Trust Fund related to BID consultant agreements. Inasmuch as the General Fund subsidizes the BID Trust Fund, and the General Fund has already transferred \$3.16 to the BID Trust Fund to meet the City's obligation, this Office recommends transferring \$0.27 million from the BID Trust Fund cash balance to the Unappropriated Balance, Reserve for Unrealized Revenue Account.

City Ethics Commission Public Campaign Matching Funds

The City Ethics Commission has completed a preliminary evaluation of the Public Campaign Matching Funds Trust Fund (Trust Fund) and identified surplus funds above the amount necessary to cover anticipated current year expenditures and maintain the required minimum balance. Since the City Council has declared a fiscal emergency, Charter Section 471(c) provides that the City Council may reduce or withhold the current year appropriation in an amount up to \$3.43 million after consideration of the Ethics Commission's analysis on projected costs and public funding needs for the next four years.

In addition, the Charter also provides that the City Council may temporarily transfer funds from the Trust Fund to meet City obligations if the City reimburses the transferred funds upon determination by the Ethics Commission that it needs the funds, or before the end of the next fiscal year, whichever is earlier.

This Office recommends the City Council instruct the Ethics Commission to prepare an analysis on the four-year projected costs and public funding needs for the Trust Fund. Subsequent to consideration of the Ethics Commission report, this Office will provide recommendations in a future report on reductions to the current appropriation and transfers from the Trust Fund.

Emergency Operations Fund

The Emergency Management Department identified a \$5,000 surplus in the Printing and Binding account from savings resulting from its not holding community events in-person. We recommend reducing the Printing and Binding appropriation within the Emergency Operations Fund by \$5,000 and, as a result, reducing the General Fund appropriation to the Emergency Operations Fund by \$5,000. We recommend transferring these funds to the Unappropriated Balance, Reserve for Unrealized Revenue Account.

Los Angeles Tourism and Convention Board

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). The City typically makes payments quarterly based on the budgeted TOT and reconciles at the end of the year based on the actual TOT receipts. This Office, with the assistance of the Convention and Tourism Department, identified a reduction of \$4.88 million to the payments to LATCB based on the anticipated shortfall of TOT receipts compared to the 2020-21 Budget. The Department and our Office will continue to monitor TOT receipts and we will recommend any additional adjustments to subsequent quarterly payments if necessary. We will correct any underpayment or overpayment of funding provided to LATCB as part of the year-end reconciliation.

Other Budget Reduction Efforts

In addition to the budget reduction actions that we recommend above for which we have been able to quantify proposed impacts, this Office has worked with City departments to implement other of the Mayor and City Council's fiscal restraint instructions, including the restrictions on overtime and contracting intended to generate immediate savings.

Contract Restrictions

Fiscal Restraint Instruction: The CAO, with all departments, evaluate all proposed contracts with fiscal impacts in this and next fiscal year, restrict new contracts, and seek cost reductions in current contracts.

This instruction restricts a department's execution of new or expanded contracts unless it is required for public safety or health, a legal mandate, or revenue generation. Pursuant to this instruction, this Office is including an evaluation of whether a department's contracting request meets the identified exemptions in our analyses of requests for new or expanded contracts. Further, this Office has worked with the Mayor's Office to develop a pre-approval process for departments seeking exemptions so that the Mayor can approve the purpose of the contract before departments initiate the award or amendment process.

This instruction also requests departments to seek cost reductions for existing contracts. The City's Chief Procurement Officer in the Mayor's Office is working with departments to seek those cost reductions.

Overtime Suspension

Fiscal Restraint Instruction: All department suspend non-emergency, non-reimbursed overtime.

This instruction is currently in effect. If departments have been able to generate savings through this instruction, they have reflected it as reductions through the three-percent budget reduction exercise we present in this report.

Efforts to Increase Revenues or Funding

The Mayor and City Council's instructions include many actions intended to increase City revenues or increase available funding for the General Fund. We report on our progress on these efforts below, although some may not provide budgetary relief during this fiscal year.

Update Fees for Service

Fiscal Restraint Instruction: The CAO, with all departments, identify opportunities to update fees for service and pursue revenue enhancement opportunities.

In accordance with the Mayor and the City Council's fiscal restraint instructions, the CAO conducted a review of General Fund and Special Fund departmental fees to identify those that the City could potentially update to ensure full cost recovery for services. We reviewed all fees that met the following criteria: 1) fee revisions were conducted prior to 2016, as that year is a reasonable threshold to ensure fees reflect current costs; and/or 2) fees identified as subsidized by the General Fund. The following table summarizes the number of fees and the total value of the subsidies for each department:

Summary of Departmental Fees not at Full Cost Recovery		
Department	Number of Fees	Estimated General Fund Subsidy* (000's)
Animal Services	64	\$12,992
Ethics	2	TBD
Controller	5	52
Cultural Affairs	13	TBD
El Pueblo	3	165
Housing and Community Investment	3	TBD
Planning	4	19,274
P/W Board	7	TBD
P/W Contract Administration	17	TBD

P/W Sanitation	8	TBD
P/W Street Lighting	1	TBD
P/W Street Services	20	154
Transportation	14	TBD

**Estimated subsidies are not available for all the above fees for each department. When not available, departments must conduct fee studies in order to determine amount of subsidy.*

Animal Services – Most of the fees are subsidized due to Council policies to encourage lawful ownership of animals and support the City’s “No Kill” goal.

Ethics – The Department last adjusted the fees related to defraying the cost of administering the lobbyist and lobbyist-client registration programs prior to 2016.

Controller – The Department last adjusted the fees for payroll deduction, duplicate W-2 and 1099 forms, Heirfinders, and copies of cancelled checks prior to 2016. The department estimates that payroll related forms and cancelled checks fees could increase significantly to fully recover costs. For example, it would be required to charge \$55 for a copy of a cancelled check and the majority of requests are from other City departments.

Cultural Affairs – The fees primarily include art instruction, tours, and rental of theater facilities. For instruction fees, the General Manager has the authority to waive fees for grant-funded programs if the condition of the grant prohibits fees. The Department’s fee proposals for tours and theater fees are pending CAO review.

El Pueblo – The Department has not updated the fees for common area maintenance (CAM), filming, and site rentals since 2012. The Department anticipates completing a new Market Rate Study in 2021, which will include a CAM fee study.

Housing and Community Investment (HCID) – The fees mainly include Systematic Code Enforcement (SCEP) and bond fees. On September 23, 2020, HCID presented its SCEP fee adjustment proposal to the Housing Committee, which continued consideration of the item. HCID anticipates presenting its Bond Fee adjustment proposal to the City Council in 2021.

Planning – The Department reports that Planning Case Processing fee and General Plan Maintenance Surcharge are subsidized while Planning Systems Development Surcharge (PSDS) and Planning Operating Surcharge (POS) were last revised in 2005. The Department anticipates completing both PSDS and POS fee studies in 2021. On December 2, 2020, the Department released a report with a proposed updated of Planning Case Processing fees.

P/W Board – The Bureau anticipates completing fee studies for three of the seven fees in 2021.

P/W Contract Administration – The Bureau has not revised the fees since 2009 and 2012.

P/W Sanitation – The Bureau has not adjusted most of the fees since at least 2012.

P/W Street Lighting – The Bureau last revised its Installation of Glare Shields fee in 2007.

P/W Street Services – The Bureau last revised 18 of the 20 fees in the 1990's. The Bureau has prioritized completion of fee studies in 2021 for three of the 20 fees, namely, Building Materials Permit, Newsrack permit, and Newsrack Impound fees.

Transportation – The Department is currently reviewing or working on fee studies for nine of the 14 fees.

In order to mitigate the City's revenue shortfall, this Office recommends that departments report on the status of their fee adjustment proposals in the next FSR.

Reserve Fund Loan Repayments

Fiscal Restraint Instruction: The Controller and CAO, with all departments, expedite grant and bond reimbursements and Reserve Fund loan repayments.

In order to implement this instruction, this Office released an exercise to all City departments to review outstanding Reserve Fund loans as of September 30, 2020. The purpose of this review is to expedite repayment and to identify problems that prevent reimbursement to the Reserve Fund. The total unpaid balance as of September 30 was approximately \$72.06 million. Departments and funds have since repaid approximately \$5.55 million of this balance.

Departments were to transmit the status of repayments by November 13, 2020. We are currently reviewing responses and identifying any outstanding loans that require write-off. We anticipate releasing a report to the City Council with our findings and recommendations by January 2021.

Leasing City Assets

Fiscal Restraint Instruction: The CAO, with the General Services Department and other relevant departments, evaluate potential savings or earnings from leasing City assets.

This Office is in discussions with appropriate departments on this proposal and will report at a future date if there are any viable options that could support budget balancing.

Review of Special Fund Balances

The Mayor and City Council did not instruct us to, nor did we, complete a comprehensive assessment of balances in special funds that might be available to be used for budget balancing. The Mayor and City Council considered and approved our last comprehensive report on this matter in May of 2019 (C.F. 18-0270). The annual budget instructions to departments request special fund administrators to report on the status and spending plans for their special funds. The City's Financial Policies require special fund administrators to regularly evaluate and manage the balances within their funds to ensure their timely use, consistent with the fund's intent. Therefore, we do not believe that a separate evaluation is necessary at this time.

Salary Savings and Layoff Mitigation Efforts **Attachment 3 – Special Funded Vacancies**

As a service organization, employee-related costs are the largest driver of the City's expenditures. Therefore, and pursuant to the fiscal restraint instructions, we have made every effort to reduce employee costs before proposing layoffs. The City has been under a civilian hiring freeze, helping to drive attrition and reduce costs. We have identified healthy special funds and begun to generate a list of vacant positions within these funds that we may be able to use for transfers to reduce the number of layoffs required. We have worked with City departments to insource funded work to City employees, reducing the burden on the General Fund and saving jobs. We discuss each of these efforts below.

Hiring Freeze Update

Fiscal Restraint Instruction: All departments limit their requests for exemption from the hiring freeze.

As part of the actions on the 2020-21 Budget (C.F. 20-0600), the Council and Mayor approved a hiring freeze. At that time, the Council and Mayor also approved a process for departments to request an exemption to this hiring freeze. This instruction is for departments to limit their requests for exemption from the hiring freeze.

Departments generally request exemptions for requests that are:

- Technical or administrative in nature, such as the reversion of an employee to a previous job classification.
- For promotion of existing employees or for new hires.

Technical or administrative requests are automatically exempt from the hiring freeze. This Office has distributed detailed information to departments as to what types of requests are technical or administrative in nature and are therefore automatically exempt.

Requests to promote employees or hire new employees are not automatically exempt and the Managed Hiring Committee, comprised of the CAO, Mayor, and Chief Legislative Analyst, conduct a detailed analysis and review of those requests. They evaluate whether the request meets the hiring freeze exemption criteria of essential to public health and safety, legally mandated, revenue generating, or fully special funded. The CAO previously provided a status report on the requests from departments submitted pursuant to the City's hiring freeze (C.F. 20-0600-S77).

Despite the direction to limit requests for exemption from the hiring freeze, departments continue to submit requests to promote employees and hire new staff. While many of these requests are essential to public health and safety, legally mandated, revenue generating, or fully special funded, many other requests do not meet these criteria. Even in situations when the request may meet one of the established exemption criteria, the department may be able to transfer employees within the department from less critical functions to fill the service gap identified in the request. In addition, as

discussed below, the CAO is also in the process of reviewing opportunities to transfer employees currently funded by the General Fund into special funded position vacancies.

As the City continues to evaluate options to address the deficit and contemplates initiating layoffs, it is critical that we suspend hiring and promotions. Therefore, this Office recommends that the City Council approve a temporary moratorium on hiring and promotions Citywide. This moratorium would suspend the current hiring freeze exemption request process, and only allow departments to submit requests for hiring freeze exemption that are technical or administrative in nature. If approved, we will place on hold all hiring freeze exemption requests submitted by departments to date that are not consistent with this direction. The Managed Hiring Committee would continue to meet, but only for the express purpose of reviewing opportunities to transfer employees throughout the City into special funded vacancies for layoff avoidance purposes. The Committee would not review any requests from departments during this temporary moratorium.

The CAO will report in the Mid-Year FSR with recommendations as to whether the City should reinstate the previous hiring freeze exemption-request process, continue the temporary moratorium, or institute an alternative hiring review process.

Position Transfers to Special Funds

Fiscal Restraint Instruction: The CAO evaluate special funds to determine which, if any, can accept transfers of employees currently paid by the General Fund or subsidized special funds.

Pursuant to this instruction, we evaluated special funds to determine which, if any, can accept transfers of employees currently paid by the General Fund or subsidized special funds. We reviewed the overall condition of special funds to determine which are healthy enough to sustain the salary costs of displaced employees and the General Fund does not currently subsidize. Consistent with this approach, we did not include vacant positions for which the General Fund partially pays even if a healthy special fund pays the remaining portion of the costs. On the other hand, in order to ensure 2020-21 related cost reimbursements, we have included special funds that the General Fund has historically subsidized but does not subsidize in 2020-21 (e.g. Proposition C).

Attachment 3 provides a list of 670 special fund vacancies by department and fund that can accept potential transfers of displaced General Funded employees.

In order to facilitate the transfer of the employees currently paid by the General Fund between departments to fill these special funded vacancies, we recommend that the Personnel Department work with the Managed Hiring Committee to unfreeze these special funded positions as necessary for layoff avoidance or General Fund cost savings. As part of this effort and as appropriate, the CAO will work with the Personnel Department to identify opportunities to authorize substitute authority positions to facilitate these layoff avoidance transfers, provided that departments be required to hold another position vacant for any new substitute authority positions added.

Insourcing Opportunities

Fiscal Restraint Instruction: The CAO, with all departments, evaluate savings associated with insourcing work that the City currently provides through contracts.

The Mayor and City Council instructed this Office, working with all departments, to evaluate savings associated with insourcing work that the City currently provides through contracts. We are currently performing this insourcing review.

This effort has two goals:

- To reduce overall costs where possible. Potential cost savings can result from:
 - Using funds supporting proposed contracts to offset funds supporting City employees. Some of these funds are special funds or grant funds;
 - The direct cost of existing employees can be comparable to, or lower than, the cost of contractors, which includes profit and overhead;
 - Eliminating the need to administer a contract; and,
 - Eliminating the costs of, and delays in, the bid and award process. The bid and award process can often take six months and create additional costs due to escalation.
- To ensure that the City can prioritize all available funding sources to support the continued employment of City employees prior to hiring contractors. We do not want to lay off employees while hiring contractors to perform work that existing employees can perform. Opportunities may exist in capital programs, including grant programs, and for contracts such as tree planting, sidewalk or road repair, landscaping, Geographic Information Systems (GIS) services, outreach, community engagement, and grant writing.

In order to implement this instruction, we are incorporating a review of insourcing opportunities in our contract evaluation process. Even when we completed the standard, required review of all contracts pursuant to Charter Section 1022 of whether City employees can perform the work more economically or feasibly prior to the onset of the Pandemic, we are reevaluating those prior findings.

The proprietary departments are also using insourcing where possible. Early on in the pandemic, the Department of Water and Power (DWP) approached this Office asking us to help them take advantage of opportunities to insource using other City departments. Delays in utility revenues are negatively impacting the DWP and it believes that insourcing will be beneficial to it because:

- They can engage City employees faster than going through bid and award;
- City employees provide quality services; and,
- City employees can be comparable in cost to contractors.

We have established an agreement with DWP and only services that are beneficial to DWP are being insourced. Work begins this month with the Bureau of Street Services performing sidewalk repair for DWP. Street Services may also take over water blowout repair and paving of DWP property. The Harbor Department has also inquired about establishing a similar arrangement with City and we are working on doing so.

Challenges to the implementation of insourcing include:

- Insourcing may require departments to prioritize the insourced work above the typical services that the department receives funds to deliver. Without appropriate management and supervision, the department's ability to deliver both insourced work and its typical work will be negatively impacted.
- Insourcing may require staff from multiple departments to deliver the insourced work. Without internal agreements and protocols established between departments, lead departments will not be able to obligate themselves or the City to fulfil the terms of the insourcing contract.
- Departments may not have sufficient staff required to deliver insourced work due to the reduction in overall staff resources resulting from the Separation Incentive Program and the hiring freeze.

Continuing the effort to insource work is an important part of managing this current budget. Therefore, this office recommends that the Mayor and Council instruct all City departments to give priority to this effort by identifying opportunities to contract-in.

COVID Reimbursements

On November 24, the City Council adopted actions related to a CAO report on the short- and long-term budget impacts of the COVID-19 pandemic (C.F. 20-0147-S38 and C.F. 20-1450). Through this report, the City Council approved the transfer of federal relief funding to the City budget. The report also identified future additional transfers. In the report, we project that the City will be able to use \$142.9 million in relief funding from different sources for 2020-21 Budget balancing. Of this amount, the Mayor and City Council have already transferred \$74 million to the Reserve Fund. Therefore, for the purposes of the budget balancing plan we present in this report, that amount is considered part of the General Fund Reserves component, reducing the COVID Reimbursements component from \$142.9 million to \$68.9 million.

The Mayor and City Council transferred a total of \$74 million from the COVID-19 Federal Relief Fund (CRF) to the Reserve Fund, to reimburse the City for general COVID-related response expenditures (\$64 million) and for the Small Business Emergency Microloan Program (\$10 million). This amount is necessary to repay the Public Works Trust Fund for its front funding of the City's COVID response spending, as City Charter Section 340 requires. In recognition that that these funds are now in the Reserve Fund, at the appropriate time we will recommend a transfer from the Reserve Fund to repay this loan.

The City Council also authorized the transfer of funds from the CRF to the Reserve Fund for reimbursement of additional COVID-related City expenditures before the conclusion of the program on December 30, 2020, which we project to total \$40 million. If Congress, however, grants an extension for the use of the CRF funding beyond December 30, the City Council and Mayor may choose instead to retain these remaining funds for ongoing relief efforts and they will not be available for budget balancing. On the other hand, if the CRF spending period expires on December 30 consistent with the current program, the City will have no additional likely federal relief

reimbursement available this fiscal year. FEMA, the only other significant program available, generally does not provide reimbursements timely enough to cover additional City COVID response spending this fiscal year.

In addition, the report also stated that we anticipate that during 2020-21 the General Fund will receive \$28.9 million from reimbursement requests that the City has submitted to the Federal Emergency Management Agency. These funds will be a receipt to the Disaster Assistance Trust Fund, and we will report later and provide recommendations with actions to transfer those funds to the 2020-21 Budget, as necessary.

General Fund Reserves

The COVID-19 pandemic is a one-time, extraordinary event. As such, it is appropriate for the City to access its General Fund reserves to address the budget challenges that it presents. We believe that between the Contingency Reserve Account of the Reserve Fund and the Budget Stabilization Fund, \$259.01 million may be available at year-end for budget balancing.

The laws and policies that regulate the use of either of the Reserve Fund's two accounts permit their use under the current circumstances. The City may use the Contingency Reserve for unanticipated expenses or revenue shortfalls that impact programs already approved in the budget. The City may use the Emergency Reserve to mitigate the budgetary impacts of a significant economic downturn or other significant unanticipated event.

The laws and policy that regulate the use of the Budget Stabilization Fund envision its use as part of the budget development process to partially offset below average growth in economically sensitive General Fund tax revenues. Pursuant to Administrative Code Section 5.120.4(d), however, the Mayor and Council may approve a transfer or appropriation from the Fund outside of the budget process.

The COVID-19 pandemic is a significant unanticipated event that has led to a major economic downturn and had an extremely negative impact on all of the City's revenues, including the economically sensitive General Fund tax revenue. For this reason, the use of the City's General Fund reserves, with the utmost possible restraint, is appropriate.

This Office recommends that the City should leave the Reserve Fund's Emergency Reserve Account fully funded at \$183.90 million, or 2.75 percent of General Fund revenues. We believe the City should retain the Emergency Reserve at its Charter level in order to remain able to respond to any currently unknown challenges or disasters that may occur in the future. Further, as we anticipate that our current budgetary crisis will continue into future fiscal years, we should continue to preserve the Emergency Reserve as a possible resource to address future fiscal challenges.

Recognizing the immediate, extraordinary, and pressing challenges, we also recommend the possible use of up to the full balances of both the Contingency Reserve Account (\$141.94 million) and the Budget Stabilization Fund (\$117.07 million), a total value of \$259.01 million. If these actions are required, they can occur toward the end of the fiscal year and we will provide the necessary recommendations in the Year-End Financial Status Report.

Debt Options

Attachment 4 – Impacts of Proposed MICLA Capital Project Reductions

Attachment 5 – Impacts of Proposed MICLA Equipment Project Reductions

MICLA Program Budgetary Savings

Fiscal Restraint Instruction: The CAO and Controller identify MICLA savings that can be swept to generate General Fund savings.

The Mayor's Fiscal Restraint Memorandum instructed this Office to identify opportunities to generate both immediate and long-term General Fund savings by sweeping uncommitted prior-year MICLA proceeds. This Office has identified \$41.75 million in 2020-21 General Fund savings from several completed transactions and an upcoming refunding scheduled for Spring 2021. We summarize the savings in the table below.

Reductions from Completed Transactions	Amount
MICLA 2020BC Refunding Bonds Savings	\$ 24,170,000
MICLA 2016B Bonds Unspent Proceeds	7,960,000
MICLA 2010AB Debt Service Reserve Funds	6,100,000
Subtotal	\$ 38,230,000
Estimated Savings from Refunding Opportunity	
MICLA 2021 Refunding Bonds Estimated Savings	\$ 3,520,000
Total	\$ 41,750,000

Reductions from Completed MICLA Transactions

Savings from the completed MICLA transactions are \$38.23 million and are currently available in the Capital Finance Administration Fund. This Office recommends transferring these funds to the Unappropriated Balance, Reserve for Unrealized Revenues. The completed transactions are as follows:

- In August 2020, the City advance refunded the MICLA 2012-ABC and MICLA 2014-C Bonds with the MICLA 2020-B Refunding Bonds (Real Property) and MICLA 2020-C Taxable Refunding Bonds (Real Property). This action generated General Fund savings of \$24.17 million.
- In 2019-20, pursuant to the Debt Management Policy, the CAO transferred to the bond trustee unspent bond proceeds from the Project Fund to the Debt Service Fund relating to the MICLA 2016-B Bonds (Real Property) to ensure bond proceeds are spent timely. The unspent proceeds will be applied to the 2020-21 debt service payments on the MICLA 2016-B Bonds. This transfer will save approximately \$7.96 million in General Fund from the Capital Finance Administration Fund in 2020-21.

- The City made its final debt service payments for the MICLA 2010-A Bonds (Capital Equipment) and MICLA 2010-B Refunding Bonds (Real Property) in November 2020. As a result, approximately \$6.10 million held in the Debt Service Reserve Funds will revert to the City from the bond trustee and deposited in the General Fund.

Estimated Savings from Refunding Opportunity

Consistent with standard practice, this Office conducted an analysis of potential refunding opportunities for the MICLA Bond Program to identify additional General Fund budgetary relief opportunities. This Office identified MICLA advance refunding opportunities estimated to generate cash flow savings of approximately \$14.28 million through 2022-23 (\$3.52 million in 2020-21, \$9.36 million in 2021-22, and \$1.40 million in 2022-23). This analysis assumes that the refunding bonds will be issued in Spring 2021 on a taxable basis and that the savings are front-loaded, as opposed to traditional level debt service, to provide immediate budgetary relief. The refunding analysis was based on market conditions as of November 12, 2020, plus a 0.25 percent interest contingency, and it is subject to change. The refunded bonds targeted are those that achieve a minimum of three percent present value savings and the proposed refunding will be structured to meet the target goal of 50 percent of all outstanding direct debt being repaid within 10 years, in compliance with the City's Financial Policies.

The CAO typically uses a qualified list for investment banking services to hire underwriters to assist in the sale of its bond issuances, including refundings. The qualified list for investment banking services (the "Qualified List") expired in September 2020 (CF 10-1763). We estimate that it would take three to five months to complete the Request for Qualifications process to establish a new qualified list. To achieve the refunding savings without significant delays and preserve other borrowing options identified herein, we request that the Council and Mayor approve a one-year extension to the Qualified List.

Debt Options to Bridge Budget Gaps

In addition to the MICLA Program savings discussed above, this Office has reviewed several options to use debt to bridge this year's budget gap. Using the City's debt capacity to borrow funds as part of its larger fiscal resiliency strategy can help the City bridge its projected budget gaps during this period of financial stress. This form of borrowing, otherwise known as deficit borrowing, carries with it a number of risk factors and rating agencies consider it as a credit negative due to the deferral of near-term financial obligations and added expenses to the issuer as it pays off the debt over time. Nevertheless, if combined with an overall multi-year strategic plan to address the City's fiscal challenges, rating agencies can consider deficit borrowing to be an acceptable option.

There are a limited number of deficit borrowing strategies that this Office has identified: MICLA Commercial Paper (CP) Programs, debt restructuring, judgment obligation bonds (JOBs), and pension obligation bonds (POBs). Based on our initial review of these options, MICLA CP is the only viable option the City should consider pursuing for 2020-21. Debt restructuring, JOBs, and POBs are strategies the City may want to consider for 2021-22.

MICLA CP Program – Working Capital

The City may issue commercial paper, which are short-term notes, to finance its working capital needs. The MICLA CP Programs have a total credit limit of \$525 million of which, as of December 2, 2020, \$241.6 million in notes are outstanding. There is \$283.4 million in remaining capacity. However, the amount required to cover all MICLA authorized projects and equipment purchases is substantially more. Therefore, to ensure that the City reserves enough of its remaining capacity to finance existing MICLA projects in construction and issue working capital, this Office is recommending \$141.78 million in reductions within the City's MICLA CP program. With these reductions, the City can use its available MICLA CP capacity to cover up to \$80 million in MICLA funding for capital costs in the next six months and leave up to \$200 million for working capital.

Of the \$200 million available for working capital, this Office only recommends using up to \$150 million in 2020-21 to preserve the remaining capacity for further unexpected emergencies and possibly for cash flow needs in the next fiscal year. If these actions are required, they can occur toward the end of the fiscal year. Equally important, this Office strongly recommends that this strategy to issue commercial paper for working capital should include a repayment plan to ensure the debt issued to finance current year expenditures is repaid quickly with revenues received over the next several years such as FEMA reimbursements, delayed receipts, and other one-time receipts. The speed by which working capital debt is repaid, will determine how fast the City can reinstate any of the deferred and delayed MICLA projects identified for reduction.

This Office recommends the delay or deferral of ten capital projects for a total reduction of \$23.86 million. While these are all project that would provide community benefit, these delays will have the least impact and are the best available option at this time. The Mayor and City Council may revisit these deferrals in future fiscal years through the annual budget process. None of these projects are currently in construction. We recommend sweeping another \$1.37 million from competed projects. The total reduction from capital projects within the MICLA CP program is \$25.23 million. We list the MICLA projects we recommend deferring below and provide additional detail in Attachment 4.

MICLA Capital Project Reductions		
Project	Reduction Amount	Impact
Warner Grand Theater	\$3.78 million	The project is in design stage. It contains a total of \$5.78 million in MICLA funding. Currently, \$2.00 million is being retained to fund design, predesign, and bid and award activities. Construction for Phase 1 is not scheduled for initiation until January 2022.
Civic Center Master Plan Development (CCMP)	\$3.5 million	MICLA funding is not needed to complete a request for information (RFI) for the multiple future phases of work or to explore other financing or development options.
Zoo Vision Plan (Phase I)	\$3.5 million	The project has not yet been initiated. Funding was provided for the development of an architectural schematic design for Phase I of the Zoo's Vision Plan. The projected construction cost of Phase I is \$222.60 million, including \$6.00 million in schematic design.
Highland Park Constituent Service Center	\$3.26 million	The project is currently on hold pending the outcome of litigation. There is only sufficient funding available at this time to address a portion of the improvements required to activate the full facility. Additional ongoing costs would be incurred for operations and maintenance.
Solar Energy Installation Municipal Facilities	\$3.0 million	The project is in predesign stage. Funding was provided for solar installations at four facilities, one of which is in construction and three that are in predesign phase and will not begin until 2021-22.
City Hall East Electrical System Upgrades and P4 Improvements	\$2.43 million	Phase II of the project has not yet started and the cost to complete has not been finalized.
Pico House	\$2.0 million	The project has not started. Funding was provided for a feasibility study for capital improvements at the historic Pico House at El Pueblo.
North Hollywood Park	\$1.0 million	The project has not started and there is no confirmed activity associated with project.
Old Arlington (Washington Irving) Library	\$0.94 million	The project is in the predesign stage. Funding was provided for capital repairs and rehabilitation of a historic library building.
Civic Center Parking Structural Repairs	\$0.44 million	The project has not started. Funding was provided for the design and predevelopment costs to repair the City Hall East, City Hall, and LA Mall parking garage.
Subtotal	\$23.86 million	
Balance from Completed Projects	\$1.37 million	
Total Reductions	\$25.23 million	

This Office also recommends a reduction of \$116.48 million in equipment purchases. Of this amount, \$411,545 is for sweeping funds that are no longer required as the City has purchased all of the equipment. The remaining amount is for deferrals of equipment until at least 2021-22, at which point the Mayor and City Council will consider the ability and need to restore funding in the context of the budget process. The proposed equipment reductions are from accounts with uncommitted appropriations. We list the proposed MICLA equipment reductions for the highest impacted departments below and provide additional detail in Attachment 5.

MICLA Equipment Reductions		
Department	Reduction Amount	Impact
Transportation	\$57.06 million	The equipment proposed for deferral are for the Traffic Signal Safety Project, Bus Purchase Program, and the mobile command vehicle. The traffic signal safety projects have \$22.9 million in authority remaining, funded from SB1 and Measure M.
General Services Department	\$48.95 million	The equipment proposed for deferral are for Citywide fleet replacement, materials testing, fleet shop, and yards and shops. The proposed reductions may increase the vehicle out of service rate and increase repair costs due to additional maintenance and repairs. The Citywide fleet replacement reductions impact various departments, most notably the Bureau of Street Services, Transportation, and Recreation and Parks.
Bureau of Street Lighting	\$5.79 million	The equipment proposed for deferral are for fleet replacement and electric vehicle charging stations. The proposed reductions forgoes the installation of new electric vehicle charging stations on street lighting poles in 2020-21.
Animal Services, Bureau of Sanitation, Bureau of Street Services, Police, and Recreation and Parks	\$4.37 million	The equipment proposed for deferral are fleet replacement and additional fleet acquisitions related to new programs. The proposed reductions may increase the vehicle out of service rate and increase repair costs due to additional maintenance and repairs.
Subtotal	\$116.07 million	
Balance from Completed Purchases	\$0.411 million	
Total Reductions	\$116.48 million	

Debt Options to Consider for 2021-22

Pursuant to the City's Debt Management Policy, if the City wants to pursue any of the following options, this Office must hire outside advisors to assist with developing a prudent strategy. Each strategy has its own varying complexity, policy implications, time frame to implement, and obstacles that would need to be addressed. Additionally, the majority of these strategies require significant lead-time. This Office requests authority to hire independent municipal advisors to assist this Office to identify the most prudent strategy, and in the case of examining POBs, obtain an actuarial evaluation to determine the cost/benefit of issuing such bonds.

Strategy	Action	Impact
Debt Restructuring	Restructure outstanding bonds to provide immediate cash flow relief.	The remaining debt service payments on outstanding bonds are amortized over a longer period (i.e., deferring payments). While allowed under the City's Debt Management Policy, historically, the City's practice is to avoid extending maturities in refunding transactions
Judgment Obligation Bonds (JOBs)	Bonds are issued to finance obligations imposed by law such as judgments and court-approved settlements.	Generally, the City may issue JOBs when there is a finding that there are no other sources of available money to pay the settlement amount on a timely basis pursuant to the terms of the settlement. Pursuing JOBs is time consuming and requires court validation.
Pension Obligation Bonds (POBs)	Bonds are issued with the intent to reduce the cost of funding pensions on an annual basis.	POBs are based on the expectations that the rates of return from investing the bond proceeds will exceed the borrowing rate. Ultimately, the economics depend on actual investment returns over the life of the bonds. POBs can be structured with a deficit financing component. The way that POBs can reduce near term expenditures and serve as deficit bonds is if a series of POBs not only refunds all or a portion of an issuer's outstanding Unfunded Actuarial Accrued Liability (UAAL), but that it also "funds" the upcoming required pension payments. Pursuing POB's is time consuming and requires court validation.

Labor Cost Savings

Fiscal Restraint Instruction: The CAO, in conjunction with the Mayor and the Executive Employee Relations Committee, work with the City's labor partners to develop cost savings proposals including, but not limited to, the deferral of previously negotiated salary increases.

Labor cost reductions are an essential part of balancing the 2020-21 Budget. Most of the City's employees are in the midst of approved labor contracts that include upcoming salary increases. Changing these contracts generally requires negotiations. The City does have the ability to reduce labor costs unilaterally through curtailing hiring or laying off employees. The City can also partner with our employee unions to explore adding furlough days for civilian workers during 2020-21 or to seek cost concessions from current contracts. In the absence of negotiated labor cost concession, which reduce costs with a low impact on City services, this Office recommends that the City proceed with layoffs and explore furloughs, as described below.

Eliminating Filled Positions – Possible Layoffs

Fiscal Restraint Instruction: The Personnel Department and CAO initiate a layoff evaluation process.

This Office and the Personnel Department have met to discuss and plan for the possibility of layoffs beginning as early as this fiscal year. The Personnel Department is in the process of working with all City employees to validate their work histories, which is the necessary first step. Personnel believes it will complete that process within the next month, and will then be prepared to initiate the layoff process.

A department's general manager initiates the layoff process by submitting a listing of positions identified for layoff to the Personnel Department and a request that Personnel begin the process. This report includes recommendations that prepare the City to eliminate 1,894 currently filled positions in four departments in order to generate estimated savings of \$45.24 million. If the City Council and Mayor approve these proposals, this Office recommends that the City Council and Mayor instruct the general manager of each department with filled positions proposed for elimination to prepare and submit to the Personnel Department a list of positions for layoff, consistent with this report.

We believe that the City should make every effort to reduce the number of layoffs. The ongoing exercise to identify vacant positions in healthy special funds may help with this effort. We recommend that general managers act quickly to move those facing layoffs into these positions, where possible. We also recommend that the Personnel Department, our Office, and the Managed Hiring Committee assist with these efforts. If these efforts are successful, the list of layoffs that the general managers send to Personnel may differ from the list identified in this report. Therefore, we also recommend that the Personnel Department report to the City Council with the final layoff list before the first actual layoff.

The amount of time it takes Personnel to complete its evaluation and identify the employee who is subject to layoff will vary based on the classification and department but could take from one to six months. Therefore, for the purposes of calculating the value of layoffs, we have assumed that all laid off positions would generate three months of salary savings in 2020-21. The actual savings will vary depending on how quickly layoffs occur. Therefore, for departments for which we have recommended the elimination of filled positions, we do not recommend reducing their salary accounts to reflect this savings at this time. Instead, we will monitor savings realized and report in a future FSR with recommendations to sweep them for budget balancing purposes.

The City will realize full-year savings for salaries and benefits in future years, which will be important to balance the 2021-22 and subsequent budgets, as the City will face budget gaps likely in excess of those reported in our most recent Outlook, as we discussed in the First Financial Status Report. Thus, while layoff savings are a relatively small portion of the actions necessary to address our current year budget challenge, these and possibly additional layoffs may be necessary if the City is to achieve structural balance in future years.

While most of our proposed reductions will have a negative impact City services, none may be as difficult as the elimination of filled positions. The elimination of 1,894 positions includes 1,679 civilian (728) and sworn (951) positions in the Police Department, 143 positions in the City Attorney, 45 positions in the Animal Services Department, and 27 positions in the Bureau of Engineering. While we worked with City departments to develop their reduction proposals, none was supportive of layoffs. When either the department or my Office proposed them, it was a last option, necessary to meet the three percent target for reductions that the Mayor and City Council instructed us to propose.

Of these four departments, only Animal Services' proposal included layoffs as we have reflected. The Police Department proposed layoffs, but many fewer, estimating seven months of savings per layoff. We have estimated three months of savings for each layoff and therefore had to increase the number to generate sufficient savings to meet the three percent target. The City Attorney and Engineering did not offer layoffs at all, but we were unable to identify savings to meet the three percent target in their absence. We discuss the impacts of these layoffs on each department in more detail below, in the Departmental section of the FSR.

If layoffs occur, the City will have to increase its unemployment insurance appropriation to cover its obligation. We estimate that if the City lays off all filled positions proposed for elimination during 2020-21, our unemployment insurance appropriation will have to increase by an estimated \$1.2 million. The City will incur the bulk of the increased unemployment insurance costs, which we have roughly estimated at \$22 million, in 2021-22.

Labor Concessions, Including Exploring Additional Furlough Days

Our Budget Balancing Plan targets \$49 million through labor concession, including the exploration of additional furloughs. The CAO's Employee Relations Divisions (ERD) has been meeting regularly with civilian labor principals regarding cost savings measures. Through these meetings, we have successfully negotiated the Separation Incentive Plan, two unpaid days for civilian employees, and the deferral of the 2021 excessive sick time payment to January of 2022.

Recognizing the need for additional savings, ERD and labor have continued to meet to discuss ideas. ERD staff is currently evaluating the ideas discussed and costing potential savings of the ideas discussed in these meetings. We understand that the City must consider cost savings for all City employees and have therefore invited public safety labor principals to discuss options for their members.

As one possible approach, this Office recommends that the City partner with its civilian unions to explore expanding the forthcoming furlough program. As it stands now, all civilian employees will take one unpaid day off in April 2021 and most civilian employees in all departments other than the Bureau of Sanitation, the Department of Building and Safety, and the Library will take 11 furlough days beginning in January 2021.

This Office has already reported in detail regarding the impact of furlough days on City operations (C.F. 20-0500). Adding additional furlough days would exacerbate the impacts we previously described.

General Fund Revenue

Attachment 6 – General Fund Receipts Through October

Key Findings/Recommendations

- *In the First FSR, we estimated that the 2020-21 Budget could fall short of adopted revenue between \$400 million and \$600 million, attributed to the existing business closures and the resulting forecasted shortfalls in taxes and departmental and special fund receipts. With renewal of business closures meant to control the latest increase in the COVID-19 infection rate, this shortfall is likely to be closer to \$600 million and is at risk to increase.*
- *Budgeted 2020-21 revenue through October is \$955.4 million, \$130.3 million below the adopted plan of \$1.09 billion, with large shortfalls in economically sensitive tax receipts and department reimbursements. These receipts are not expected to be recovered.*
- *Total October receipts-to-date are 79.6 percent of General Fund receipts of \$1.20 billion this time last year. This is an improvement from September, when receipts were 77.2 percent of the previous year. Yet, for every month that social distancing efforts continue to impact local businesses and City services, receipts will continue to fall short of planned receipts.*
- *The forecasting of revenues remains extremely challenging since accuracy depends on knowing when the various closures and social distancing restrictions impacting business activities will end, as well as determining the economic impact and recovery rate of the business sectors that support City tax and departmental receipts.*

2020-21 Revenue

The 2020-21 Adopted Budget is \$6.69 billion in General Fund revenue, equivalent to a 4.9 percent increase from actual 2019-20 year-end receipts of approximately \$6.37 billion. Due to pandemic-related economic losses, however, receipts continue to fall well below the adopted monthly plan, as well as below the actual receipts of the prior year.

Excluding the receipt of CARES Act pass-through monies, total General Fund revenue through October is \$955.4 million, \$130.3 million below the adopted plan of \$1.09 billion. This total shortfall is attributed solely to the pandemic and its impact to economically sensitive revenues (property, utility, business, sales, documentary, transient occupancy, and parking occupancy taxes), as well as departmental receipts and parking fines. The marginal improvement from the \$146.1 million shortfall reported through the end of September is due to early receipts for related cost reimbursements and should not be viewed as a positive trend. Instead, with the reinstated businesses closures, as well as the travel restrictions and reduced City services that are in place now, the revenue shortfall will increase with lower anticipated November and December receipts.

Other identified losses not reflected in the October shortfall are currently projected to reduce year-end revenue by as much as \$600 million. These known shortfalls include: reduced departmental receipts; credits against electricity users tax overpayments; a lower Power Revenue Fund transfer; the inability to realize and transfer surplus revenue from the Special Parking Revenue Fund; reduced interest earnings; lower sales tax as estimated by the City's tax consultant; and delinquent property tax payments. The year-end shortfall also includes preliminary year-end projections for other revenues, as based on industry forecasts and department estimates. These estimates will need to be revised to reflect the impact of reinstated restrictions.

This Office reports any deviations from planned revenue receipts in the FSRs. The City typically addresses projected year-end revenue surpluses or deficits during the development of the following fiscal year's budget by revising revenue estimates. This year, this Office anticipates recommending changes to the current year budget at mid-year to recognize significant shortfalls that require immediate budget action.

See below and summary on Attachment 6 for detail on known and anticipated variances from the adopted budget.

Table 1. 2020-21 General Fund Revenue and Variance through October
(Thousand dollars)

	2020-21 Budget	Plan Through October	Receipts Through October	Receipts as Percent of Budget	Variance of Receipts from Plan
Property Tax	\$2,297,080	\$94,158	\$84,627	3.7%	(\$9,531)
Property Tax Ex-CRA Inc.	95,900	-	-	0.0%	-
Utility Users' Tax	614,620	221,100	215,434	35.1%	(5,666)
Department receipts	1,335,289	255,864	229,367	17.2%	(26,497)
Business Tax	686,540	95,798	75,683	11.0%	(20,115)
Sales Tax	557,055	181,875	182,611	32.8%	736
Documentary Transfer Tax	215,835	69,850	66,561	30.8%	(3,289)
Power Revenue Transfer	224,100	-	-	0.0%	-
Transient Occupancy Tax	244,860	49,378	32,429	13.2%	(16,949)
Parking Fines	140,477	50,667	20,752	14.8%	(29,915)
Parking Occupancy Tax	102,000	24,390	16,806	16.5%	(7,584)
Franchise Income	81,226	19,359	18,762	23.1%	(597)
State Motor Vehicle License Fees	3,198	-	-	0.0%	-
Grant Receipts	12,521	2,565	2,890	23.1%	325
Tobacco Settlement	10,615	-	-	0.0%	-
Residential Development Tax	3,693	1,053	1,272	34.4%	219
Special Parking Revenue	27,721	-	-	0.0%	-
Transfer					
Interest Income	34,613	19,604	8,192	23.7%	(11,412)
Total General Fund	\$6,687,342	\$1,085,661	\$955,386	14.3%	\$(130,275)

Property taxes, including remittances from the former CRA/LA: The current \$9.5 million shortfall for receipts through October, unchanged from September, are in secured and unsecured receipts and will not be recovered. November receipts, not reflected here, also reveal a shortfall in supplemental receipts. Additionally, there is downside risk that delinquencies, which reduced prior year secured receipts by \$28.2 million, will again reduce tax receipts for the upcoming property tax period beginning in December 2020, resulting in a similar year end shortfall. Likewise, there is also downside risk to current year CRA/LA tax increment receipts, that would increase the year-end deficit.

Utility users tax: The total \$5.7 million shortfall for receipts through October is primarily attributed to the shortfall in electric users tax (EUT) revenue (\$5.4 million). As reported in the First FSR, the Department of Water and Power (DWP) reduced its projected EUT estimate by \$12.2 million, from the adopted budget amount of \$434.8 million to \$422.6 million. While communication and gas users tax receipts are respectively \$98,000 and \$183,000 below plan through October, no year-end shortfalls are projected for either at this time.

Department receipts: Revenue from licenses, permits, fees and fines (LPFF), and direct and related costs reimbursements through October is \$229.4 million, which is \$26.5 million below plan. The net shortfall through October includes lower fees and other revenues (\$15.0 million), ambulance billings (\$12.1 million), and LA Metro police service billings (\$30.9 million), offset by earlier-than-anticipated related costs and other reimbursements (\$31.5 million). In November, the Police Department has subsequently received \$27 million in delayed LA Metro reimbursement revenue, which is not reflected above.

Business tax: October receipts are \$20.1 million below plan, as receipts that were previously anticipated to be delayed were recorded in 2019-20 as originally budgeted. This represents a small improvement from previously reported receipts, which may partly be attributed to the current business tax amnesty program. There is significant downside risk to the 2021 tax renewal period and fiscal year-end receipts, based on the Office of Finance's estimates for the pandemic's impacts to business activity and gross receipts.

Sales tax: Sales tax revenue through October is at plan; although, this cannot be attributed to an improving trend in receipts. The City has recovered late remittances from the State's action last spring to extend the tax filing due date for the first quarter of 2020 taxable sales. Additionally, the State adjusted its methodology to accelerate allocations to local jurisdictions. The November remittance is \$8.1 million below plan. Based on the most recent projections from the City's sales tax consultant, there is significant downside risk to the City's General Fund and special fund year-end tax receipts.

Documentary transfer tax: Receipts through October are \$3.3 million below plan due to a larger-than-anticipated drop in deed transfers (analogous to sales activity) from the pandemic's continuing impact on home buying. Receipts continue to show improvement from early pandemic lows. Including the November remittance, receipts-to-date are at 83 percent of last year's level. The budget assumed flat sales and minimal price appreciation. Zillow's current forecast predicts growth in home value, while the California Association Realtors forecast a drop in sales activity. There is downside risk to year-end receipts if both sales and volume fall below these estimates.

Power Revenue Transfer: After the adoption of the budget, the DWP board approved a lower transfer estimate of \$217.8 million equating to a \$6.3 million year-end shortfall. There is additional downside risk as the final amount approved for transfer in recent years has been below the amount assumed in the budget.

Transient occupancy tax (TOT): Receipts through October are \$16.9 million below budget for both hotel and short-term rental activity. This current shortfall will not be recovered and will increase with next month's tax collection. Receipts-to-date are at 28 percent of last year's level. There are significant downside risks to year-end hotel receipts based on industry projections for a long recovery for that sector. While short-term rental receipts are closer to plan, receipts may be at risk with increasing enforcement of short-term rental restrictions.

Parking fines: Parking fine revenue through October is \$29.9 million below plan, and receipts-to-date are at 47 percent of last year's level. This current shortfall will not be recovered and will increase through November. Monthly receipts may increase thereafter with the end of the relaxed parking enforcement program. Based on ticket-issuance activity for the month of November—currently 15.0 percent below projections due to fewer violations occurring during the pandemic—and the undetermined impact of payment relief programs and staff retirements, there is significant downside risk to year-end receipts.

Parking occupancy tax: Receipts for parking occupancy tax through October are \$7.6 million below plan due to the pandemic-related business closures and resulting recession. There is downside risk to year-end receipts as curtailed business, sporting and entertainment activities reduce parking demand. Receipts-to-date remain 43 percent of last year's level.

Franchise income: The current \$600,000 shortfall is attributed to lower receipts in natural gas, solid waste collection and official police garage (OPG) franchises. While the monthly loss in OPG franchise may improve with the end of relaxed parking enforcement, the current shortfall will not be recovered, resulting in a year-end shortfall. There are downside risks to other economically sensitive franchise revenues.

Special Parking Revenue Fund Transfer: The decline in special parking fund revenues have mirrored declines in parking occupancy tax. At this time, no surplus funds are anticipated to be available for transfer resulting in a year-end shortfall.

Interest Earnings: Finance reports significant downside risk to interest earnings due to aggressive emergency cuts by the Federal Reserve Bank that subsequently resulted in a decrease in forward interest rates, resulting in reduced interest earnings at year-end.

Expenditures

Key Findings/Recommendations

- The previously reported departmental expenditures above plan have been reduced by \$3.18 million, from 119.06 million to \$115.88 million. This reduction is primarily attributed to actions approved in the First FSR along with revised projections. New or additional expenditures above plan are reported for the Bureau of Sanitation (\$2.73 million), Bureau of Street Services (\$2.14 million), and the Information Technology Agency (\$0.70 million).*
- This report only includes updates for departmental and non-departmental budgets with significant changes from what was previously reported in the First FSR. The projections in this report are based on the same assumptions used in the First FSR related to savings and expenditures attributed to the deferral of furloughs, City's Hiring Freeze policy, and the implementation of the Separation Incentive Program (SIP).*

(See Table 2 on next page)

Table 2. Second FSR Projected Overspending/Unfunded Expenditures (in Millions)

Department/ Initiative	First FSR	Change	Second FSR	Reason
Fire	\$28.67	\$ --	\$28.67	Over-expenditures are primarily attributed to sworn salaries (\$8.4 million), increased overtime to respond to mutual aid fire incidents (\$6.8 million), constant staffing overtime (\$7.7 million), and mutual aid invoices for inter-agency response (\$5.0 million).
Public Works-Sanitation	13.50	2.73	16.23	Overspending increase is attributed to hazardous waste removal services.
Police	10.84	(5.00)	5.84	Overspending reduced by \$5.0 million from UB transfer in First FSR.
Animal Services	4.46	(1.26)	3.20	Overspending is reduced as a result of revised expenditure projections.
City Attorney	3.60	--	3.60	Overspending is attributed to the deferral of furloughs.
Personnel	2.68	--	2.68	Overspending is attributed to the deferral of furloughs.
Public Works-Street Services	--	2.14	2.14	Overspending attributed to COVID-19 related expenses.
General Services	1.97	(1.97)	--	Overspending is reduced by surplus in Petroleum and Leasing accounts.
Housing	1.34	0.36	1.70	Overspending is attributed to 2019-20 contractual services funds pending reappropriations (\$1.2 million) and labor charges and lease costs related to Prop HHH work (\$0.5 million).
Information Technology	1.10	0.70	1.80	Overspending increase is attributed to renewal of telecommuting software licenses.
Controller	1.00	--	1.00	Overspending is attributed to the deferral of eight furlough days and hiring freeze savings that have yet to materialize.
Clerk	0.68	--	0.68	Overspending is attributed to the deferral of furloughs.
Civil and Human Rights	0.45	(0.45)	--	Overspending was addressed through Council action (C.F. 20-0761).
CAO	0.15	--	0.15	Overspending is attributed to the deferral of furloughs.
Public Works-Board	0.09	--	0.09	Overspending is attributed to the deferral of furloughs.
Emergency Management	0.08	--	0.08	Overspending is attributed to the deferral of furloughs.
Planning	0.07	(0.07)	0.07	Overspending addressed through First FSR.
Employee Relations	0.00	--	0.00	Overspending is attributed to the deferral of furloughs.
LOA Furloughs Deferral	40.6	--	40.6	Deferral of an additional seven furlough days.
Human Resources Benefits	6.78	--	6.78	Overspending is attributed to unanticipated increases in unemployment insurance.
Insurance and Bond Premiums Fund	1.00	--	1.00	Overspending is attributed to increases on insurance renewal premiums.
Total Year-End Overspending	\$119.06	\$(2.82)	\$116.24	

Current Year Budget Balancing

As noted in Table 2 above, excluding the General Fund revenue shortfalls, we project \$116.24 million in current year overspending. In addition, in Table 3 below we identify additional General Fund appropriations of \$12.7 million to supplement special fund revenue shortfalls. Combined, the total General Fund spending above plan is \$128.58 million. The recommendations in the Second FSR will reduce these over-expenditures by \$4.53 million and potential future actions will further reduce overspending by \$108.15 million, resulting in a year-end spending gap of \$20.79 million. In light of the risk of severe revenue shortfalls, departments will be required to absorb or manage remaining costs within existing funds.

Table 3.		
2020-21 Budget Balancing Solutions (Millions)		
2nd FSR Over-Expenditures	\$ (116.24)	
2nd FSR Special Fund Revenue Shortfalls		
Zoo and El Pueblo	(9.92)	Projected revenue shortfall for the remainder of the year attributed to the prior closure and current modified operations of the Zoo (\$6.62 million) and El Pueblo (\$3.3 million).
Traffic Safety Fund	(2.78)	Projected revenue shortfall attributed to reduction in citation issuance.
Total Spending above Plan	\$ (128.58)	
2nd FSR Recommendations		
UB, Zoo and El Pueblo Revenue Shortfalls	4.30	Transfer to Zoo and El Pueblo to address revenue shortfalls.
UB, Reserve for Mid-Year Adjustments	0.23	Transfer to Animal Services for security services at two temporarily closed shelters.
Subtotal	\$ 4.53	
Potential Future Actions		
UB, Reserve for Mid-Year Adjustments	43.41	Transfer to partially address Citywide overspending.
UB, Reduction of Furloughs	40.00	Transfer to address deferral of eight furlough days.
UB, Zoo and El Pueblo Revenue Shortfalls	1.34	Transfer remaining balance to address revenue shortfalls.
UB, Mutual Aid Overtime	3.00	Transfer to Fire for Overtime Sworn (C.F. 20-1290) over-expenditures.
Separation Incentive Program	2.60	Net savings from attrition of SIP participants, less incentive payouts.
LOA Cost Saving Proposals	17.8	Savings from two unpaid holidays and deferral of excess sick time payments.
Subtotal	\$ 108.15	
Year-End Overspending	\$ (20.79)	

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 \$486.32 million or 7.27 percent of the total 2020-21 General Fund revenue.

Table 4. Total City Reserves			
Reserves	Balance (In Millions)	%	Purpose
UB, 2020-21 Reserve for Mid-Year Adjustments account	\$ 43.41	0.65%	Available to address shortfalls that may arise throughout the year.
Reserve Fund	325.84	4.87%	Preserved for the most critical needs and matters of urgent economic necessity and are not to be used for ongoing expenses.
Budget Stabilization Fund	117.07	1.75%	Restricted for the maintenance of service levels during years of slow growth and declining revenue.
Total Reserves	\$ 486.32	7.27%	

Unappropriated Balance, 2020-21 Reserve for Mid-Year Adjustments

Attachment 12B – Status of Unappropriated Balance, Reserve for Mid-Year Adjustments

Since the last FSR, the balance in the UB Reserve for Mid-Year Adjustments was \$42.77 million. This report recommends transferring funds from this account to the El Pueblo Fund (\$0.85 million) to cover revenue shortfalls and the Animal Services Department for security costs (\$0.23 million) as well as a transfer of savings identified from the Citywide reduction exercise into this account. These actions result in a net increase to the UB Reserve for Mid-Year Adjustments Account from \$42.77 million to \$43.41 million.

Reserve Fund

Attachment 7 – Status of Reserve Fund

After accounting for transactions approved since July 1 and the recommendations in this report, the Reserve Fund balance is \$325.84 million, which consists of \$183.90 million in Emergency Reserve and \$141.94 million in Contingency Reserve. This balance represents 4.87 percent of 2020-21 General Fund revenue and is \$8.53 million below the 5 percent Reserve Fund Policy. The current Reserve Fund balance reflects a 1.07 percent increase from the First FSR, which is primarily due to reimbursements from the COVID-19 Federal Relief Fund (\$74 million).

This report presents current year overspending and shortfalls in revenue that will likely require the use of the Reserve Fund if the City does not identify other sources or solutions. Specifically, in this report, we identify the full \$141.94 million balance of the Contingency Reserve as part of our 2020-21 budget balancing plan. In light of the current condition of the Reserve Fund below the minimum policy level and the continued challenges facing the General Fund and General Fund revenues, this Office recommends refraining 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 City established the Budget Stabilization Fund (BSF) as part of the 2008-09 Budget to prevent overspending during prosperous years and to provide resources to help maintain service levels during lean years. The Budget Stabilization Fund balance is \$117.07 million, or 1.75 percent of 2020-21 General Fund revenues. Interest earnings within the Fund have raised the balance from the previously reported \$116.90 million. In this report we identify the full \$117.07 million balance of the Budget Stabilization Fund as part of our 2020-21 budget balancing plan.

Including the UB, Reserve for Mid-Year Adjustments account, the Reserve Fund, and the Budget Stabilization Fund, the City's total reserves is 7.27 percent of General Fund revenue, which reflects an increase from the previously reported 6.19 percent.

Budgetary Adjustments

Budgetary adjustments totaling approximately \$257.42 million are recommended in Sections 1, 2, and 3 of this report which include:

- \$81.59 million in Departmental budget reductions;
- \$0.75 million in Non-Departmental budget reductions;
- \$8.13 million in Capital Improvement Expenditure Program account reductions;
- \$25.23 million in reductions from MICLA capital project accounts;
- \$116.48 million in reductions from MICLA equipment accounts;
- \$0.12 million in new appropriations;
- \$8.68 million for transfers between accounts within various departments and funds;
- \$0.20 million for transfers between various departments and funds;
- \$16.24 million in appropriations from the Unappropriated Balance;

Attachments

- 1 Summary of Proposed Reductions
- 1A Departmental Budget Reductions
- 1B Non-Departmental Budget Reductions
- 2 Impacts of Proposed Capital Project Reductions
- 2A Capital Improvement Expenditure Program Budget Adjustments
- 3 Special Funded Vacancies
- 4 Impacts of Proposed MICLA Capital Project Reductions
- 5 Impacts of Proposed MICLA Equipment Project Reductions
- 6 2020-21 General Fund Revenue
- 7 Current Status of Reserve Fund
- 8 New Appropriations
- 9 Transfers between Accounts within Departments and Funds
- 10 Transfers between Departments and Funds
- 11 Appropriations from the Unappropriated Balance
- 12A Status of the Unappropriated Balance-General Account
- 12B Status of the Unappropriated Balance-Reserve for Mid-Year Adjustments
- 12C Status of the Unappropriated Balance-non-General Account
- 13 Status of Liability Claims Account

RECOMMENDATIONS

(Refer to Discussion Sections 1, 2, and 3)

That the Council, subject to approve of the Mayor:

Budget Reductions

Citywide

- 1. Reduce \$81,589,740.00 in appropriations within various departments and funds and increase appropriations in the same amount to the Unappropriated Balance, Reserve for Unrealized Revenue as specified in Attachment 1A.

City Attorney

- 2. Request the City Attorney, if it so chooses, to propose reductions to its departmental 2020-21 budget totaling \$4,114,500, with a composition of General Fund and special funds as calculated by the CAO, no later than December 14, 2020, that it can immediately implement as an alternative to the reductions proposed in this report. If the City Attorney chooses not to present an alternative, request that it implements the reductions proposed in this report.

City Council

- 3. Authorize the Controller to make reductions to the City Council's 2020-21 Budget in accordance with a schedule to be provided by the Office of the Chief Legislative Analyst.

Cultural Affairs

4. Reduce appropriations within the Arts and Cultural Facilities & Services Fund No. 480/30, Account No. 30T130, Cultural Affairs in the amount of \$489,853.
5. Reduce the General Fund appropriation to the Arts and Cultural Facilities & Services Fund No. 480/30 in the amount of \$489,853 and transfer a like amount to the Unappropriated Balance Fund No. 100/58, Account No. 580230, Reserve for Unrealized Revenue.

Fire

6. Instruct the Fire Department, with the assistance of the CAO, to present no later than the Mid-Year FSR additional budget reductions to generate \$3,424,790 in departmental savings during 2020-21.
7. That the Fire Department, with assistance from the City Attorney, prepare and present a report and ordinance relative to the establishment of a new false alarm fee directed at those who are responsible for false alarm activations.

Housing and Community Investment

8. Reduce appropriations within the Accessible Housing Fund No. 10D/43, Account No. 43T143, Housing and Community in the amount of \$541,153.
9. Reduce the General Fund appropriation to the Accessible Housing Fund No. 10D/43 in the amount of \$541,153 and transfer a like amount to the Unappropriated Balance Fund No. 100/58, Account No. 580230, Reserve for Unrealized Revenue.

Mayor

10. Authorize the Controller to make reductions to the Office of the Mayor's 2020-21 Budget in accordance with a schedule to be provided by the Office of the Mayor.

Neighborhood Empowerment

11. Reduce appropriations within the Neighborhood Empowerment Fund No. 44B/47, Account No. 47T147, Neighborhood Empowerment in the amount of \$84,885.
12. Reduce the General Fund appropriation to the Neighborhood Empowerment Fund No. 44B/47 in the amount of \$84,885 and transfer a like amount to the Unappropriated Balance Fund No. 100/58, Account No. 580230, Reserve for Unrealized Revenue.

Public Works/Engineering

13. Instruct the Bureau of Engineering, if it so chooses, to propose reductions to its departmental 2020-21 budget totaling \$2,818,107, with a composition of General Fund and special funds as calculated by the CAO, no later than December 14, 2020, that it can immediately implement as an alternative to the reductions proposed in this report. If the Bureau chooses not to present an alternative, instruct it to implement the reductions proposed in this report.

Capital Project Reductions

14. Decrease appropriations of \$4,000,000 to the Citywide Recycling Trust Fund No. 46D/50, Account No. 50T997, Capital Infrastructure for the deferral of the CLARTS Organic Processing Facility project.
15. Transfer \$4,128,344.17 from various accounts within the Capital Improvement Expenditure Program Fund to the Unappropriated Balance Fund No. 100/58, Account No. 580196, Reserve for Mid-Year Adjustments, as specified in Attachment 2A.

Non-Departmental Reductions

Various

16. Reduce appropriations of \$754,485.80 from various Non-Departmental funds and increase appropriations of \$626,743.80 to the Unappropriated Balance, Reserve for Unrealized Revenues Account and Reimbursement of General Fund Costs in the Stormwater Pollution Abatement Fund (\$53,438.00) and Special Gas Tax Improvement Fund (\$74,304.00) as specified in Attachment 1B.

Arts and Cultural Facilities Trust Fund/Unappropriated Balance

17. Reduce appropriations within the Arts and Cultural Affairs Facilities Trust Fund No. 480/30, Account No. 30T156, General City Purposes Fund in the amount of \$120,000.
18. Reduce the General Fund appropriation to the Arts and Cultural Affairs Facilities Trust Fund No. 480/30 in the amount of \$120,000 and transfer a like amount to the Unappropriated Balance Fund No. 100/58, Account No. 580230, Reserve for Unrealized Revenue.

Water and Electricity

19. Instruct the General Services Department to disencumber a total of \$970,569 in 2017-18 and 2018-19 encumbrances within the Water and Electricity Fund No. 100/60 and request the Controller to process an early reversion in a like amount to the Reserve Fund 101/62.

Business Improvement District Trust Fund/Unappropriated Balance

20. Transfer \$265,000 from the Business Improvement District Trust Fund No. 659/14, Account No. 001010 Cash Balance to the Unappropriated Balance 100/58, Account No. 580230, Reserve for Unrealized Revenue.

Public Campaign Matching Funds Trust Fund

21. That the Ethics Commission prepare and present an analysis of the four-year projected costs and public funding needs of the Public Campaign Matching Funds Trust Fund and the ability to transfer excess funds to the City for budget balancing.

Emergency Operations Fund/Unappropriated Balance

22. Reduce appropriations within the Emergency Operations Fund No. 392/34, Account No. 342120, Printing and Binding in the amount of \$5,000.

23. Reduce the General Fund appropriation to the Emergency Operations Fund No. 392/34 in the amount of \$5,000 and transfer a like amount to the Unappropriated Balance Fund No. 100/58, Account No. 580230, Reserve for Unrealized Revenue.

Revenue Increases

24. Instruct Animal Services, Ethics Commission, Cultural Affairs, El Pueblo, Housing and Community Investment, City Planning, Board of Public Works, Contract Administration, Sanitation, Street Lighting, Street Services, and Transportation to report on the status of their fee adjustments proposals in the next FSR: and request the Office of the Controller to report on the status of its fee adjustment proposals in the next FSR.

Salary Savings and Layoff Mitigation

Hiring Freeze

25. Approve a moratorium on hiring and promotions Citywide, and direct all City departments to only submit, and the CAO to only review, hiring freeze exemption requests that meet the established criteria for automatic exemption, inasmuch as they are technical or administrative in nature. For any exemptions to this restriction, require departments to hire for unfrozen positions through transfer, to the extent possible.

Position Transfers to Special Funds

26. Direct all City Departments immediately to internally transfer employees in positions for which the General Funded or financially stressed special funds pay to vacant positions for which healthy special funds pay, or within grant-funded or other fully-funded projects within the Department and to prioritize such transfers necessary for layoff avoidance and to complete them by January 11, 2021.
27. Direct the Personnel Department, in coordination with the Mayor's Office, CLA, CAO, and other appropriate departments as necessary, immediately to identify opportunities to transfer employees in positions proposed for elimination to special funded vacancies or to grant-funded or other fully funded projects for layoff avoidance.
28. Instruct the Bureau of Contract Administration and the Bureau of Street Lighting to report to the CAO and the Personnel Department by December 21, 2020, with a list of all vacant positions in their departments that are paid by healthy special funds, as designated by the CAO.

Insourcing Opportunities

29. Instruct all departments, with the assistance of the CAO, to review all existing and proposed contract work to determine if insourcing work is a viable option. For any potential insourcing opportunities that departments and the CAO identify, instruct departments with assistance of the CAO, to evaluate the potential cost-savings from insourcing and develop insourcing implementation plans that identify:

- The required City resources needed to deliver the insourced work;
- The cost of these resources;
- The timing needed to secure these resources including hiring requirements; and,
- The service delivery structure, which may involve multiple departments.

Debt Options

MICLA Program Savings

Capital Finance Administration Fund

30. Authorize the Controller to transfer \$38.23 million from the Capital Finance Administration Fund to the Unappropriated Balance, Reserve for Unrealized Revenues.
31. Approve a one-year extension to the CAO's Qualified List of Investment Banking Services to achieve refunding savings and to preserve additional borrowing options.

MICLA CP Program

32. Approve the \$25,225,155.00 in reductions from capital projects within the MICLA CP program, as identified in Attachment 4.
33. Approve the \$116,476,667.04 in reductions from equipment purchases within the MICLA CP program., as identified in Attachment 5.
34. Authorize the CAO to issue up to \$150 million of MICLA authority for working capital purposes.
35. Instruct the CAO to establish a repayment plan for the debt issued for working capital.

Debt Options to Consider in 2020-21

36. Authorize the CAO to hire independent municipal advisors to help identify the most prudent borrowing strategy for 2020-21 and 2021-22, and in the case of examining Pension Obligation Bonds, obtain an actuarial evaluation to determine the cost/benefit of issuing such bonds.

Elimination of Filled Positions

37. That the general managers of the departments identified in this report as having filled positions eliminated, prepare and submit by January 11, 2021, a communication to the Personnel Department with a request to proceed with layoffs for a list of positions substantially similar to those proposed in this report, reduced only to account for positions vacated as a result of their ability to transfer the employee into either a position paid by a

healthy special fund, as defined by the Office of the City Administrative Officer, or a position within a grant-funded or other fully funded project.

38. That the Personnel Department report to the Mayor, as well as the City Council with a listing of positions to be laid off after making adjustments, working with the Office of the City Administrative Officer (CAO) and other relevant departments as necessary, to reflect any transfer of employees to healthy special funds, as defined by the CAO, or to grant-funded or other fully-funded projects and explaining any such adjustments prior to initiating the layoffs on the list.

Exploring Additional Furlough Days

39. Instruct the Office of the City Administrative Officer to partner with the City's civilian labor unions to explore adding new furlough days during 2020-21.

Departmental and Non-Departmental Budget Adjustments

40. Appropriate \$115,271.55 to the Information Technology Agency as specified in Attachment 8;
41. Transfer \$8,680,098.00 between accounts within various departments and funds as specified in Attachment 9;
42. Transfer \$201,962.84 between various department and funds as specified in Attachment 10;
43. Transfer \$16,235,566.00 from the Unappropriated Balance to various departments and funds as specified in Attachment 11;

Animal Services

44. Authorize the early reversion of a disencumbrance for \$20,000 within the Fiscal Year 2014-15 Animal Services General Fund No. 100/06, Account No. 003040, Contractual Services, to the Reserve Fund, and subsequently reappropriate up to \$20,000 from the Reserve Fund to the Unappropriated Balance, and appropriate therefrom to the Fiscal Year 2020-21 Animal Services General Fund No. 100/06, Account No. 003040, Contractual Services, to pay down invoices on an outdated medical waste disposal contract.

Economic and Workforce Development

45. Transfer up to \$700,000 in unexpended Coronavirus Relief Funds originally allocated for the Los Angeles Regional COVID-19 Relief and Recovery Fund to provide grants to pending applicants through the Small Business Recovery Grant Program, both programs being administered by the Economic and Workforce Development Department (EWDD).
46. Authorize and instruct EWDD to prepare Controller Instructions and/or any necessary technical adjustments consistent with Council action, subject to the approval of the City Administrative Officer.

Mayor

47. Disencumber up to \$812 (SC 56 CO20135419Y) from Fiscal Year 2019-20 encumbered balances within the General City Purposes Fund (GCP), Domestic Abuse Response Teams (DART) Account, revert the unencumbered funds to the Reserve Fund, and reappropriate from the Reserve Fund to the Fiscal Year 2020-21 GCP, DART Account to pay for outstanding invoices.
48. Authorize the Controller to disencumber up to \$29,799.75 in Fiscal Year 2018-19 encumbered balances for Gang Reduction and Youth Development (GRYD) Service Provider Contract No. C-132201, Youth Policy Institute (Vendor Code 100006967) within the Mayor's Contractual Services Account, and revert \$29,799.75 to the Reserve Fund, and reappropriate therefrom to the Fiscal Year 2020-21 Mayor's Contractual Services Account in order to re-encumber funds under Youth Policy Institute (YPI) Bankruptcy Trustee Jason M. Rund, in order to pay for GRYD services completed by YPI prior to the bankruptcy order.

Personnel

49. In accordance with actual receipts from Los Angeles County, deposit up to \$1,500,000 to General Fund No. 100/66, Revenue Source Code No. 5188, Miscellaneous Revenues and further allocate to reimburse various City Department General Fund No. 100, Revenue Source Code No. 5188, Miscellaneous Revenues. Appropriate the like amount deposited to various City Department General Fund No. 100, Account No. 001090, Overtime General, pursuant to the Memorandum of Understanding with Los Angeles County (Contract No. C-136211) for contact tracing work performed by City employees.
50. Instruct the City Clerk to schedule a similar recommendation as above on the Council meeting agenda for July 1, 2021 or the earliest date after July 1, 2021 for approval of the additional appropriation for receipts deposited after June 30, 2021.

Public Works/Sanitation

51. Instruct the Bureau of Sanitation to report on Livability Services Program costs and a plan to address the projected expenditures above plan.

Technical

52. 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 Second Financial Status Report identifies a total of \$116.24 million in projected over-expenditures and \$12.70 million in additional General Fund appropriations required to supplement special fund revenue shortfalls. In Sections 1, 2, and 3, this Office recommends transfers, appropriations, and other budgetary adjustments totaling approximately \$257.42 million.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies as the recommended transactions use current revenues and balances to pay for current operations.

DISCUSSION

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

Section 1. Departmental Budget Reductions.....	43
Section 2. Status of Departmental Budgets	74
Section 3. Status of Non-Departmental Funds and Special Accounts.....	82

1. DEPARTMENTAL BUDGET REDUCTIONS

This section discusses the proposed reductions and their impact to service levels. Proposals that were independently developed by this Office and those that were developed in collaboration with the department are noted in the narratives. The three percent budget reduction target was calculated based on the department's 2020-21 budget allotment. For the elimination of filled positions, an average of three-months salary savings was assumed. A summary of all the proposed budget reductions can be found on Attachment 1.

A. Aging

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 1, 2, 3, and 4

The Department of Aging submitted a reduction proposal totaling \$194,251, of which \$110,072 is from the General Fund and \$84,179 from special funds. The Department of Aging and the CAO are in agreement with the reductions listed in Attachment 1. We have listed the items with significant service impacts below.

Evidence Based Program and Senior Center Services

The Department of Aging proposes to reduce General Fund expenditures in its Contractual Services Account by \$99,544. The reduced contract services are within the Evidence Based Program (EBP) at senior centers. The EBP provides older adults with services that enhance wellness skills in a variety of areas, including self-management, healthier living, and memory enhancement. EBP services at all 15 senior centers will be impacted including transportation, social, and meal services in two mini-multipurpose centers, and training hours in the Older Worker Employment Program. However, the impact of the reductions to seniors are mitigated by the lower level of services currently being provided due to the pandemic.

In addition, the Department of Aging proposes to reduce special fund expenditures in its Salaries General Account by \$9,348 as a result of salary savings. This reduction will delay the monitoring of EBP performance of providers and the processing of their payments.

Special Fund Salaries

The Department of Aging proposes to reduce special fund expenditures in its Salaries General Account by \$74,831 as a result of salary savings from vacant positions. These are federal funds and cannot be used for other purposes. If funds are unspent, they are returned to the grantor. The City is required to pay related costs associated with these positions. Therefore, not filling these positions will result in General Fund savings from reduced related costs.

Salaries General Account

The remaining reduction totaling \$10,528 is proposed from the General Fund portion of the Salaries General Account. This reduction will have minimal service impacts.

B. Animal Services

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 5 and 6 Recommendation Nos. 36 and 37

The Animal Services Department submitted a reduction proposal totaling \$696,274, of which \$693,137 is from the General Fund and \$3,137 from special funds. The Animal Services Department and the CAO are in agreement with the reductions listed in Attachment 1. We have listed items with significant service impacts below.

Elimination of Filled Positions

The Animal Services Department proposes to eliminate a total of 45 filled positions for a cumulative reduction of \$689,837 in the General Fund. The elimination of these positions will potentially negatively impact the health and safety of staff, animals, and the public. The elimination of 24 Administrative Clerks will leave the Department with only 8 Administrative Clerks to perform administrative tasks both in shelters and at the administrative office, potentially delaying the completion of tasks including reporting, invoicing, adoption processing, payment processing, or other routine and necessary administrative tasks (\$342,826). With less administrative staff, Animal Care Technicians will have to spend more time in administrative work and less time caring directly for animals in order to accommodate this change. This change will be more challenging as a result of the elimination of 19 of the Department's 160 Animal Care Technicians (\$282,074). The elimination of two of the Department's three Director of Field Operations (DFO) positions will also impact services by reducing supervision and supervisory oversight within the shelters (\$64,938). The three DFOs split their time between the six shelters; without these positions there would be an increased burden on District Supervisors and Animal Care Technician Supervisors.

The remaining reduction totaling \$6,437 is proposed from the Printing and Binding Account (\$3,137, special funded) and the Animal Food/Feed and Grain Account (\$3,300). These reductions are anticipated to have no service impacts as they reflect decreased activities due to the pandemic.

C. Building and Safety

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 7 and 8

The Department of Building and Safety submitted a reduction proposal totaling \$3,881,405, of which \$300,679 is from the General Fund and \$3,580,726 from special funds. The Department of Building and Safety and the CAO are in agreement with the reductions listed in Attachment 1. The special fund reductions are primarily in the Salaries, General Account to reflect current salary savings and will therefore have minimal impact to services. We discuss the service impact from the General Fund reduction below.

Code Enforcement Bureau

The Department of Building and Safety proposes to reduce expenditures in its Salaries, General Account, which will result in General Fund savings of \$300,679. The proposed reduction will have minimal impact in 2020-21 due to the pandemic-related relaxation of quality of life and vegetation related code enforcement activities (C.F. 20-0376). However, this reduction will hinder the Department's ability to return its code enforcement activities to pre-pandemic levels as it will not have sufficient funds to fill vacant positions.

D. Cannabis Regulation

Attachment 1A – Departmental Budget Reductions – Reduction No. 9

The Department of Cannabis Regulation submitted a reduction proposal totaling \$135,382, consisting entirely of special funds. The Department of Cannabis Regulation and the CAO are in agreement with the reductions listed in Attachment 1. We discuss the impact of the proposal below.

Reduce Accela project hours by 30-percent

The Department of Cannabis Regulation proposes to reduce expenditures in its Contractual Services Account by \$135,382. The reduction will impact planned enhancements to the Accela system which is used to process license applications. The integration of the Accela system with other departments and agencies will also be delayed. Integrating the system with other departments would expedite licensing by including zoning, GIS, inspections, and other information the Department requires to evaluate applications. The department has stated that it will work to avoid impacting revenue generating programs.

E. City Administrative Officer

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 10, 11, and 12

The City Administrative Officer submitted a General Fund reduction proposal totaling \$463,539. We have listed Items with significant service impacts below:

Internship Program

The CAO proposed to reduce expenditures in its Salaries, As-Needed Account by \$85,000. The reduction will impact services by reducing the department's internship program. The department will not hire any new interns, which will reduce the number of special projects that can be undertaken by the Office.

Overtime

The CAO proposes to reduce expenditures in its Overtime General Account by \$68,539. The reduction will impact services by reducing the number of hours worked by staff, which will result in workload impacts in various sections of the Office, including delays in processing requests and releasing reports.

Contractual Services

The CAO proposes to reduce expenditures in its Contractual Services Account by \$310,000. The reduction will impact services by eliminating the remaining funding for the Office of Economic Analysis (\$30,000), eliminating funding for any new requests for actuarial studies related to employee benefits or retirement (\$55,000), and reducing expenditures for services that support asset management and capital projects (\$200,000). The remaining \$25,000 in Contractual Services reduction is not anticipated to result in a service impact.

F. City Attorney

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 13 and 14 Recommendation No. 2, 36, and 37

In response to the three percent departmental reduction exercise, the Office of the City Attorney proposed that the City issue judgment obligation bonds to debt finance the cost of upcoming settlements. The City Attorney proposed this approach because, as a department with a budget in which 95 percent of its funding is for salaries, it could identify no alternative reduction that did not result in eliminating filled positions. This Office finds that this proposal is not responsive to this instruction, which was to propose to either reduce departmental appropriations or increase departmental revenues in 2020-21. Further, as discussed above, even if the City was to consider judgment obligation bonds for the remainder of this year's settlements, due to the time it takes to complete that process, it would not provide budget relief during this fiscal year.

Therefore, this Office has prepared an alternative reduction proposal that does comply with the instruction, which in the case of the City Attorney's Office required a General Fund reduction of \$4,114,500. The City Attorney's Office does not support these recommendations. Our recommendations would have a significant impact on the Department's operations and are listed below. Therefore, we recommend that the City Council give the City Attorney the opportunity to propose alternatives to these reductions that meet the \$4,114,500 savings target with a less significant operational impact.

Elimination of Filled Positions

Our Office recommends eliminating a total of 143 filled positions for a cumulative General Fund reduction of \$3,612,698. These positions are almost entirely in support functions and represent the vast majority of the support positions within the Department. Specifically, the proposal includes the elimination of positions from the following classifications:

- Witness Service Coordinator (10)
- City Attorney Accounting Clerk (1)
- City Attorney Investigator II (9)
- Legal Assistant I (3)
- Legal Assistant II (4)
- City Attorney Administrative Coordinator I (5)
- City Attorney Administrative Coordinator II (7)
- Paralegal I (9)
- Paralegal II (11)
- Legal Secretary II (25)
- Legal Clerk II (18)
- Senior Legal Clerk I (10)
- Principal Clerk City Attorney I (1)
- Deputy City Attorney II (10)
- Deputy City Attorney III (10)
- Deputy City Attorney IV (10)

Impacted services will vary but eliminating these positions will generally delay caseload processing, general counsel services, and various administrative tasks department-wide. Existing department staff will have to assume additional duties, which will impact their existing caseload. More specifically, the department will experience delays or temporary stoppages of: processing claims, processing invoices, preparing legal documents for litigation, and public services for victims or witnesses of crimes. The Department would have limited options to mitigate these impacts, although it could fill vacant attorney positions, if they arise, with lower level support positions after the hiring freeze is lifted.

Reduction of Contractual Services – Tobacco Enforcement Program Compliance and Temporary Employee Services

Our Office recommends reducing General Fund expenditures in the City Attorney's Contractual Services Account by \$403,491. The reduction includes \$326,250 for Tobacco Enforcement Program compliance, which is not expected to impact services, as the City Attorney was able to identify grant funding to offset these costs. The reduction also includes \$77,241 for temporary, as-needed employee services, which would negatively impact litigation and administrative processing as these employees are called on an as-needed basis to serve in an assistive legal or administrative capacity.

Reduction of Printing and Binding

Our Office recommends reducing General Fund expenditures in the City Attorney's Printing and Binding Account by \$98,311. The Department typically uses these funds to pay for GSD's Print Shop services for business cards, legal forms, subpoenas, envelopes, and larger batches of copies. For the first quarter of 2020-21, the Department reported \$21,000 in incurred expenditures that were paid with prior year encumbrances. Total annual expenditures in 2020-21 are estimated at \$100,000, from the budgeted 2020-21 allocation of \$198,311. Thus, this reduction will not have a significant impact on operations.

G. City Clerk

Attachment 1A – Departmental Budget Reductions – Reduction No. 15

The Office of the City Clerk submitted a General Fund reduction proposal totaling \$325,436. The Office of the City Clerk and the CAO are in agreement with the reductions listed in Attachment 1. The Department proposes to reduce its Salaries, As-Needed (\$51,000), Overtime General (\$139,000), Printing and Binding (\$5,436), Contractual Services (\$50,000), Elections (\$45,000), and Office and Administrative (\$35,000) accounts. The overtime reduction will limit the ability of the Clerk to provide support to neighborhood councils through after-hours meetings and training sessions. There are no significant impacts from the other account reductions, as the reductions are mainly the result of salary and expense account savings from the General Municipal Election and savings from reduced services attributed to the pandemic.

H. City Council

Recommendation No. 3

The City Council will comply with the three percent reduction by reducing its budget by \$955,929, comprised of \$953,525 from the General Fund and \$2,404 from special funds. The Office of the Chief Legislative Analyst will provide a schedule detailing this reduction to the Office of the Controller.

I. City Planning

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 16, 17, 18, and 19

The Department of City Planning submitted a reduction proposal totaling \$1,586,795, of which \$580,000 is from the General Fund and \$1,006,795 from special funds. The majority of the General Fund reduction is mitigated by replacing \$500,000 in appropriations with a new special fund revenue source. The Department of City Planning and the CAO are in agreement with the reductions listed in Attachment 1. We have listed Items with significant service impacts below:

Periodic Inspections on Mills Act Contracts

The Department of City Planning proposes to reduce General Fund expenditures in its Contractual Services Account by \$70,000. The reduction will impact services by limiting the number of periodic inspections on Mills Act properties and increase the existing backlog.

Environmental Impact Report Services

The Department of City Planning proposes to reduce special fund expenditures in its Contractual Services Account by \$855,000. The Department will adjust its contracting and expenditure planning to ensure that the proposed reductions will not impact policy planning schedules and work programs.

Overtime General

The Department of City Planning proposes to reduce expenditures in its Overtime General Account by \$161,795, which consists of \$10,000 in General Fund and \$151,795 in special funds. The reduction will impact services by reducing the number of after-hour meetings the Department can staff. System upgrades and maintenance will also be delayed.

Home-Sharing Contract

The Department of City Planning proposes to replace a \$500,000 General Fund appropriation in its Contractual Services Account with a new revenue source: Short-Term Rental Enforcement Trust Fund. This change will not impact services. The new revenue is derived from home-sharing per-night fee that the City Council and Mayor recently adopted (C.F. 14-1635-S7).

J. Civil and Human Rights Department

Attachment 1A – Departmental Budget Reductions – Reduction No. 20

The Civil and Human Rights Commission submitted a General Fund reduction proposal totaling \$12,527. The Civil and Human Rights Commission and the CAO are in agreement with the reductions listed in Attachment 1. We have listed the reduction proposal with a significant service impact below:

Delay Civil and Human Rights Department Location and Furniture Costs

The Civil and Human Rights Commission proposes to reduce expenditures in its Furniture, Office, and Technical Equipment Account by \$12,527. Currently, the Department does not have office space from which it operates. Funding has been approved to build out office space in the LA Mall and this reduction will limit the Department's ability to furnish the new office. The total estimated cost to furnish the office is \$256,000.

K. Controller

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 21 and 22

The Office of the Controller did not submit a three percent departmental reduction proposal as it is currently reporting \$1.0 million in expenditures above plan in the First FSR. This Office has prepared a reduction proposal that complies with the exercise, which in the case of the Controller's Office required a General Fund reduction of \$494,556. The Controller's Office does not support

these recommendations. Our recommendations can be found in Attachment 1. We list Items with significant service impacts below.

Accounting Assistance Program

Our Office recommends reducing General Fund expenditures in the Controller's Salaries, As-Needed Account by \$190,000. The 2020-21 Budget reappropriated \$250,000 on July 1 to provide front-funding for the Accounting Assistance Program and there is currently an uncommitted balance of \$190,000 in this account. This reduction will require departments that use these services to carry these as-needed personnel on their payrolls. The Controller also uses this program and this reduction may therefore result in the termination of as-needed staff or 120-day appointees.

Expense Accounts

Our Office recommends reducing General Fund expenditures in the Controller's Contractual Services (\$185,000) and Office and Administrative (\$119,556) accounts. This reduction will require the Controller to eliminate non-essential contractual and administrative expenses from its uncommitted balances of \$742,902 from the Contractual Services Account and \$218,774 from the Office and Administrative Account.

L. Convention and Tourism

Attachment 1A – Departmental Budget Reductions – Reduction No. 23

The Department of Convention and Tourism Development (CTD) submitted a reduction proposal totaling \$48,557, comprised entirely of special funds. CTD proposes to absorb the reduction through projected savings in its Salaries General Account. CTD and the CAO are in agreement with the reductions listed in Attachment 1. There are no significant impacts anticipated as a result of these reductions as they reflect current salary savings.

M. Cultural Affairs

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 24 and 25 Recommendation Nos. 4 and 5

The Department of Cultural Affairs submitted a reduction proposal totaling \$489,853, consisting entirely of special funds. The Department and the CAO are in agreement with the reductions listed in Attachment 1. We have listed items with significant service impacts below.

Theater Facilities Consultant

The Department proposes to reduce expenditures in its Theater Facilities Consultant Account by \$50,000. This proposal may delay the Department's completion of a theater facilities implementation plan that could assist with maximizing theater receipts. However, the timing of this plan was already challenged due to vacancies from staff transferring to other departments and retirements related to the Separation Incentive Program.

Various Programs and Events

The Department proposes reductions totaling \$439,853 from the Summer Arts and Culture Youth Jobs Program (\$154,148), Youth Programming (\$132,000), Americans for the Arts 2021 Convention Support (\$50,000), Council Civic Fund (\$9,000), NAACP Awards Show and Festival (\$3,000), Northeast Jazz Festival (\$2,100), Central Avenue Jazz Festival (\$810), LA Cultural Tourism and Promotion (\$50,000), and Citywide Exhibits (\$38,795) accounts. These reductions are anticipated to have minimal service impacts due to program and facility closures as a result of the pandemic. Additionally, the amounts represent only a three percent reduction to total funding.

N. Disability

Attachment 1A – Departmental Budget Reductions – Reduction No. 26, 27, 28, and 29

The Department on Disability submitted a General Fund reduction proposal totaling \$135,288. The Department on Disability and the CAO are in agreement with the reductions listed in Attachment 1. We discuss Items with significant service impacts below.

Mayor's Unified Homeless Response Center Assistance

The Department on Disability proposes to reduce expenditures in its Salaries, As-Needed Account by \$18,000. The reduction will limit the Department's ability to provide assistance to the Mayor's Unified Homeless Response Center.

ADA Assistants, Case Management System, and HIV Prevention Expansion

The Department on Disability proposes to reduce expenditures in its Contractual Services Account by \$50,000. The reduction will not impact current level services but will reduce resources available for City staff needing ADA assistants above currently requested levels. Additionally, the Department will be unable to upgrade the Constituent Support System or expand HIV prevention services to homeless and other high-risk groups.

Common Look Software Licenses and Other Expenses

The Department on Disability proposes to reduce expenditures in its Office and Administrative Expense Account by \$34,000. The reduction will decrease the number of Common Look software licenses available to other City departments for Section 508 compliance, reduce supplies for the office and special events, and delay the replacement of outdated equipment.

The remaining reduction totaling \$33,288 is proposed from the Printing and Binding (\$10,288), Travel Expense (\$15,000), and AIDS Prevention Policy (\$8,000) account. These reductions will have minimal service impacts.

O. Economic and Workforce Development

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 30 and 31

The Economic and Workforce Development Department submitted an initial reduction proposal totaling \$764,889, of which \$258,358 was from the General Fund and \$506,531 from special funds. Due to changes in available special fund appropriations, the CAO worked with the Department to revise the special fund reductions to \$441,557. The revised reduction proposal now totals \$699,915. The Department and the CAO are in agreement with the reductions listed in Attachment 1. We discuss Items with significant service impacts below.

The proposed reduction is to the Department's Leasing (\$417,697), Travel (\$75,000), Contractual Services (\$198,358), and Salaries General (\$8,860) accounts. The Contractual Services Account reduction is from the budgeted General Fund appropriation of \$300,000 for economic development activities. Impacted services include property management, appraisal services, market analysis, and technical assistance.

There are no significant impacts anticipated as a result of the remaining reductions. The Department has reduced travel due to the pandemic. Additionally, the Department was able to renegotiate its lease contract for the Garland Building to receive a one-time credit. The Department also has a surplus in its Salaries General Account to absorb the reductions.

P. El Pueblo

Attachment 1A – Departmental Budget Reductions – Reduction No. 34

The El Pueblo de Los Angeles Historical Monument submitted a reduction proposal totaling \$48,944, consisting entirely of special funds. The Department and the CAO are in agreement with the reductions listed in Attachment 1. The Department proposes to reduce its Overtime General (\$10,051), Communications (\$5,926), Water and Electricity (\$10,144), Merchandise for Resale (El Pueblo) (\$2,600), and Special Events (El Pueblo) (\$20,223) accounts. There are no significant service impacts from these reductions as the salary and expense account savings are due to facility closures as a result of the pandemic.

Q. Emergency Management Department

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 35 and 36

The Emergency Management Department submitted a General Fund reduction proposal totaling \$101,904. The Department and the CAO are in agreement with the reductions listed in Attachment 1. We discuss items with significant service impacts below.

Administrative Intern Program

The Department proposes to reduce expenditures in its Salaries, As-Needed Account by \$73,000. The reduction will limit the Department's ability to fill its current Administrative Intern vacancies. As a result, the Department will have less resources available to help staff the Emergency Operations Center (EOC), develop emergency training and exercises, or conduct community preparedness and engagement activities.

Overtime Salaries

The Department proposes to reduce expenditures in its Overtime General Account by \$28,904. This reduction will impact the Department's ability to respond to emergency events and incidents for which an EOC activation may occur.

R. Employee Relations Board

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 37 and 38

The Employee Relations Board submitted a General Fund reduction proposal totaling \$12,987. The Employee Relations Board and the CAO are in agreement with the reductions listed in Attachment 1. We discuss the reduction proposal with a significant service impact below.

Contractual Services

The Employee Relations Board proposes to reduce expenditures in its Contractual Services Account by \$6,987. The reduction will limit the amount of funding available to hire third-party mediators and/or factfinders to assist with the resolution of unfair employee relations practice claims filed by unions, departments, and individuals. The Employee Relations Board functions in a quasi-judicial capacity for adjudicating labor-relation matters and uses third-party mediators and factfinders to assist in this capacity. The Employee Relations Board is required to address all submitted matters for action and does not have control over the workload quantity and complexities brought before it. Currently, there are various labor-related issues arising from the City's pandemic-driven financial crisis, such as furloughs, layoffs, or other labor cost-cutting measures that could be brought before the Employee Relations Board.

The remaining reduction totaling \$6,000 is proposed from the Office and Administrative Account (\$4,000) and the Travel Account (\$2,000). These reductions are anticipated to have minimal service impacts.

S. Ethics

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 32 and 33

The Ethics Commission submitted a reduction proposal totaling \$107,976, consisting entirely of special funds. The Ethics Commission and the CAO are in agreement with the reductions listed in Attachment 1. We have listed the items with significant service impacts below.

Special Prosecutor

The Ethics Commission proposes to reduce expenditures in its Contractual Services Account by \$27,976. The reduction will impact services by limiting the Ethics Commission's ability to hire a Special Prosecutor. The Ethics Commission's Contractual Services Account includes a \$250,000 allocation for this purpose, as mandated by Los Angeles Charter Section 710. Historically, the Ethics Commission has not required the services of a Special Prosecutor and has instead used the appropriation to cover unfunded expenditures. The Ethics Commission does not anticipate needing the services of a Special Prosecutor this fiscal year.

Salaries, As-Needed Reduction

The Ethics Commission proposes to reduce expenditures in its Salaries, As-Needed Account by \$80,000. This reduction will limit the Ethics Commission's ability to hire as-needed employees throughout the course of the fiscal year. As a result, the Ethics Commission will have less administrative support.

T. Finance

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 39, 40, 41, and 42

The Office of Finance submitted a reduction proposal totaling \$1,135,891, of which \$1,096,645 is from the General Fund and \$39,246 from special funds. The Office of Finance and the CAO are in agreement with the reductions listed in Attachment 1. We have listed the reduction proposals with a significant service impact below:

Tax Compliance Officers

The Office of Finance proposes to reduce General Fund expenditures in its Salaries General Account by \$100,000. The projected savings is the result of Tax Compliance Officer vacancies. Due to the vacancies, revenues anticipated to be captured through the Tax Penalty Amnesty Program that ends on December 17, 2020 will be negatively impacted.

Bank Service Fees

The Office of Finance proposes to reduce expenditures in its Bank Service Fees Account by \$507,310, of which \$498,806 is from the General Fund and \$8,504 from special funds. These funds were intended to cover costs stemming from the transition of bank services and to offset cost of services rendered during the termination of the Bank of America contract. The department has not received an invoice from Bank of America and the deadline to submit an invoice was November 4, 2020.

Collection of Taxes from Cannabis Businesses

The Office of Finance proposes to reduce expenditures totaling \$26,969 in its Contractual Services Account (\$24,569) and its Office and Administrative Account (\$2,400), consisting entirely of special funds. Current tax collection operations have required reduced services for security services. If this trend continues, there will be sufficient savings in the account for no impact to occur. However, if tax collection activity from cannabis related businesses increases, this reduction will impact the Department's ability to process cannabis receipts and delay business tax collections.

The remaining reduction of \$501,612 consists of General Fund (\$497,839) and special funds (\$3,773). The reduction is from the Salaries As-Needed (\$200,000), Contractual Services (\$145,324), Transportation (\$152,770), Printing and Binding (\$270), and Office and Administrative (\$3,248) accounts. These reductions will have minimal service impacts due to the projected surpluses in these accounts.

U. Fire

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 43, 44, 45, and 46 Recommendation Nos. 6 and 7

The Los Angeles Fire Department submitted a reduction proposal totaling \$18,567,487, of which \$18,387,487 is from the General Fund and \$180,000 from special funds. This amount falls short of the instruction's three percent reduction target by \$3,424,790. Pursuant to this exercise, departments could include new, unbudgeted revenues with a high likelihood of being achieved during 2020-21 to offset their three percent target. The Department did propose increased revenues to address the remainder of reduction. While we find that these revenue proposals do not meet the criteria required to comply with this instruction because they represent increased, not new revenues, the Department should make every effort to pursue them this year.

In order for Fire to meet the full three percent target, we recommend the City Council instruct the Department, with the assistance of the CAO, to present additional reductions in a future report.

Relative to the proposed reductions, the Fire Department and the CAO are in agreement with the reductions listed in Attachment 1. Items with significant service impacts are listed below:

Recruit Training

The Fire Department proposes to reduce General Fund expenditures in its Salaries Sworn, Overtime Variable Staffing, Printing and Binding, and Uniforms accounts by a total of \$3,032,976. The reduction will impact the Department's ability to hire firefighters and balance attrition. Specifically, the first recruit class for 2020-21 will drop from 65 to 35 recruits, and the second class will be eliminated. Taken together with the Department's proposed reduction to the Overtime Constant Staffing Account identified below, curtailing hiring as proposed will reduce available fire resources and increase response times. The Department will maintain minimum sworn staffing levels required by the SAFER Grant under this proposal. The Department also proposes an additional reduction of \$180,000 from the Local Public Safety Fund as a result of reduced Firefighter hiring.

Suspension of Youth Programs

The Department proposes to reduce General Fund expenditures in its Overtime Variable Staffing Account by \$515,610, through its suspension of youth programs that have been limited by the pandemic. Impacted programs include Girls Camp, Metro and Valley Youth Programs, and the Applicant Orientation Program. Savings will be achieved through unused overtime and staff redeployment.

V-Staffed Rescue Ambulance Program

The Department proposes to reduce General Fund expenditures in its Overtime Variable Staffing Account by \$1,000,048. The reduction will impact services by limiting variable staffing in the field. The Department will limit V-hour-staffed Basic Life Support coverage to a single resource, which will primarily serve the Skid Row neighborhood. There are currently 13 of these units in operation.

Unfilled Platoon Duty Vacancies

The Department proposes to reduce General Fund expenditures in its Overtime Constant Staffing Account by \$13,838,853. This reduction will impact the Department's ability to fully staff various shifts throughout the City. As a result, the reduction may cause an increase in response times. At this point, we cannot predict the specific impact on response times, but the Department will balance the needs of resources throughout the City to ensure communities and firefighters are safe. The Department will monitor operations and vacancies on a daily basis to provide for the most efficient deployment model to ensure the safety of firefighters and the protection of the community.

Various Revenue Proposals

The Department proposed increased revenues totaling \$3,424,790, of which \$3,331,790 are General Fund Revenues and \$93,000 are special fund revenues. The revenue proposals include:

- Increased reimbursements for helitanker costs (\$506,790).
- Establishing a new false alarm fee (\$200,000).
- COVID testing reimbursement from Curative Labs above FEMA's maximum reimbursement amounts (\$2,625,000).
- Increased Medi-Cal Intergovernmental Transfer Program Fund receipts (\$93,000).

In order to support these efforts, this Office recommends that the City Council instruct the Department to work with the City Attorney to prepare and present a report and ordinance to establish a new false alarm fee.

V. General Services

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 47, 48, 49, 50, 51, 52

The Department of General Services submitted a reduction proposal totaling \$7,318,814, of which \$5,418,055 is from the General Fund and \$1,900,759 from special funds. This amount was \$390,077 less than the reduction target of \$7,708,891. Therefore, this Office has proposed additional reductions, and some alternative reductions (Attachment 1). The CAO reduction proposal totals \$7,708,891, of which \$5,446,426 is from the General Fund and \$2,262,465 from special funds. We list the items that differ from the Department's proposals and those with significant service impacts below.

Petroleum Products Account

Our Office recommends to reduce expenditures in the Department's Petroleum Products Account by \$3,895,000, consisting of \$2,075,000 in General Fund and \$1,820,000 in special funds. This reduction will not impact operations provided that fuel costs stay low as anticipated fuel consumption is reduced due to a reduction in vehicle usage.

Leasing Account

Our Office recommends to reduce expenditures in the Department's Leasing Account by \$1,950,426, consisting of \$1,891,426 in General Fund and \$59,000 in special funds. This proposed reduction includes \$1,300,000 currently held in reserve for ongoing lease negotiations that are not expected to conclude this fiscal year, and \$591,426 held in reserve for unanticipated common area maintenance and other variable lease costs. Therefore, we anticipate that these reductions will have no services impacts. Nonetheless, additional appropriations may be required if there are unexpected changes in lease negotiations.

Utilities Account

The Department proposes to reduce General Fund expenditures in its Utilities Account by \$775,000. This reduction will have a minimal service impact as a majority of the reduced funds (\$648,995) are from prior year encumbrances.

Contractual Services Account

The Department proposes to reduce General Fund expenditures in its Contractual Services Account by \$600,000. The reduction will delay the implementation of real-time updates between the City's Financial Management System (FMS) and the Department's Vehicle Management System (VMS). Currently, FMS and VMS update overnight.

Mail Services Account

The Department proposes to reduce expenditures in its Mail Services Account by \$105,258, consisting of \$105,000 in General Fund and \$258 in special funds. The reduction will impact the Department's ability to mail optional correspondence from various departments and elected offices.

The remaining reduction of \$383,207, consisting entirely of special funds, is proposed from the Salaries General Account. This reduction is anticipated to have minimal service impacts due to the projected salary savings.

W. Housing and Community Investment

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 53, 54, and 55 Recommendation Nos. 8 and 9

The Housing and Community Investment Department submitted a reduction proposal totaling \$2,434,127, consisting entirely of special funds. The Department and the CAO are in agreement with the reductions listed in Attachment 1. We have listed items with potential service impacts below:

Accessible Housing Program Salary Savings

The Department proposes to reduce expenditures in its Salaries General Account by \$465,470, which is comprised entirely of special funds supported by the General Fund. Thus, this proposed reduction will provide General Fund relief. The reduction reflects current vacancies and delays in hiring for the Accessible Housing Program, which retrofits existing housing units for accessibility and develops new accessible housing units in response to a 10-year settlement agreement. This Office is currently working with the Department to prioritize filling most of its 30 vacancies in the program, which were exempt from the hiring freeze through the Managed Hiring process. The pandemic may be an additional factor contributing to delays in completing retrofits and developing new accessible housing.

Accessible Housing Program Overtime

The Department proposes to reduce expenditures in its Salaries, Overtime Account by \$75,683, which is comprised entirely of special funds supported by the General Fund. Thus, this proposed reduction will provide General Fund relief. The reduction could impact the Department's ability to conduct surveys of properties and construction sites to meet requirements of the settlement agreement in a timely manner. The pandemic may be a more significant factor contributing to delays in surveying.

Systematic Code Enforcement Program Salary Savings

The Department proposes to reduce expenditures in its Salaries General Account by \$380,000, which is comprised entirely of special funds. The reduction reflects current vacancies and delays in hiring for the Systematic Code Enforcement Program, which conducts two to four-year inspection cycles of rental units depending on the properties' history of code violations. The Department states that the reduction could result in delays in the inspection cycle if positions remain vacant. However, the special fund supporting the program will be in a deficit if the Department fills existing vacancies and its proposal for a fee increase is not approved by the Mayor and Council in this fiscal year.

The remaining reduction totaling \$1,512,974 is from a variety of other programs from the Department's Leasing (\$633,384), Salaries General (\$862,290), Transportation (\$8,000), Office and Administrative (\$5,100), Printing and Binding (\$1,700), Salaries, As-Needed (\$1,500), and Overtime General (\$1,000) accounts. These reductions will have minimal service impacts. The Salaries General Account reduction reflects current salary savings that the Department has already achieved. Additionally, the Department was able to obtain Tenant Improvement credits for its lease on the Garland Building and has surpluses in these remaining accounts to absorb the reduction.

X. Information Technology Agency

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 56 through 61

The Information Technology Agency submitted a General Fund reduction proposal totaling \$2.92 million. The Department and the CAO are in agreement with the reductions listed in Attachment 1. We discuss Items with significant service impacts below.

Human Resources and Payroll (HRP) Project Quality Assurance

The Department proposes to reduce expenditures in its Contractual Services Account for the quality assurance vendor for the HRP Project by \$380,000. This reduction will have minimal service impact as the prime contract for the Project will remain intact.

Elimination of Offsite Disaster Recovery Site

The Department proposes to eliminate funding for the live alternative disaster recovery site for a total savings of \$611,000 in its Contractual Services Account (\$511,000) and Office and Administrative Account (\$100,000). The primary system that relies on these disaster recovery support services is PaySR, the City's payroll system. The elimination of these services does not eliminate all disaster recovery capabilities for PaySR. If PaySR were to fail, however, the City would no longer have a "hot site" that is already running with live data, which means that recovery time would be prolonged. The City has never used these "hot site" recovery services since the services were initiated in 2014.

Email Archive and Discovery Solution

The Department proposes to eliminate funding for the replacement of the City's current email archive and eDiscovery solution, Google Vault, and a savings of \$605,000 in its Office and Administrative Account. This proposed new solution, which is not yet completed, was intended to provide more efficient access to public records and easier ways for City staff to conduct internal investigations and discovery.

Communication Services Request (CSR) Funding Elimination

The Department proposes to eliminate funding for Citywide communication service requests (CSRs), which will result in savings of \$276,000 in its Communication Services Account. With the elimination of this funding, any requests from departments to install telephone or data lines in City facilities will require those departments to identify and transfer funds to ITA to complete the installation. Completion of CSRs may be delayed while funding is transferred.

Operating Supplies

The Department proposes to reduce expenditures in its Operating Supplies Account by \$660,381, or a 31 percent reduction in the \$2.1 million 2020-21 Budget appropriation for this Account. This will reduce funding for parts, small equipment, and materials for the following services: a) public safety radio installation and repair; b) public safety microwave site support; c) Citywide data installation and maintenance; d) alarm system maintenance; and e) Citywide audio-visual support and maintenance. The Department will be required to prioritize repair, support, and maintenance needs within the remaining available funding of approximately \$1.17 million (the Department has spent approximately \$270,000 to date from this account).

The remaining reduction totaling \$388,931 is proposed from the Contractual Services (\$100,000), Office and Administrative (\$188,931), and Furniture, Office, and Technical Equipment (\$100,000) accounts. These reductions are anticipated to have minimal service impacts.

Y. Mayor

Recommendation No. 10

The Mayor's Office will comply with the three percent reduction by reducing its budget by \$256,788, comprised of \$247,098 from the General Fund and \$9,690 from special funds. The Mayor's Office will provide a schedule detailing this reduction to the Office of the Controller.

Z. Neighborhood Empowerment

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 62 and 63

Recommendation Nos. 11 and 12

The Department of Neighborhood Empowerment submitted a reduction proposal totaling \$84,885, which will reduce the General Fund appropriation to the Neighborhood Empowerment Fund in 2020-21 and result in a corresponding reduction to the Department's expenditure accounts. The Department of Neighborhood Empowerment and the CAO are in agreement with the reductions listed in Attachment 1. We discuss a reduction proposal with a significant service impact below.

Contractual Services

The Department of Neighborhood Empowerment proposes to reduce expenditures in its Contractual Services Account by \$41,500. The reduction will impact services by eliminating \$21,500 in funding for maintaining and upgrading office equipment and by delaying the payment of the department's annual Quick Base license until 2021-22. The remaining \$20,000 reduction will eliminate funding for digital outreach associated with the 2021 Neighborhood Council Elections. Pursuant to C.F. 20-0963, the Council recently authorized a \$456,000 appropriation to the department for the 2021 Neighborhood Council Elections. As such, there will be no additional impact from this reduction to the 2021 Neighborhood Council Elections.

The remaining reduction totaling \$43,385 is proposed from the Office and Administrative (\$40,000), Transportation (\$1,485), and Communication Services (\$1,900) accounts. These reductions are anticipated to have minimal service impacts.

AA. Personnel

Attachment 1A – Departmental Budget Reductions – Reduction No. 64

The Personnel Department submitted a reduction proposal totaling \$1,876,219, of which \$1,801,861 is from the General Fund and \$74,358 from special funds. The Department proposes to absorb the reductions through projected savings in the Contractual Services Account (\$1,801,861) for emergency medical services and in the Employee Transit Subsidy Account (\$74,358), which reflects a decrease in ridesharing participation and the impact of employees telecommuting. Personnel and the CAO are in agreement with the reductions listed in Attachment 1. There are no service impacts anticipated as a result of these reductions.

BB. Police

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 65 through 75 Recommendation Nos. 36 and 37

The Los Angeles Police Department submitted a reduction proposal, which, based on its calculation, complied with its three percent target amount of \$51,638,771. Based on our analysis, as we explain below and consistent with the methodology we have used throughout this report, the savings from the Department's proposal totaled \$26,533,149, of which \$26,152,689 is from the General Fund and \$380,460 from special funds. This proposal falls short of the three percent reduction target of \$51,638,773 by \$25,105,624. As a result, our recommendation differs from the Department's reduction proposals and can be found in Attachment 1.

The CAO reduction proposal totals \$51,638,773, of which \$50,571,404 is from the General Fund and \$1,067,369 from special funds. The reduction exercise target of three-percent would significantly impact the Department's sworn and civilian personnel, as the majority of the Department's budget consists of salaries. We list the items that differ from the Department's proposals or those with significant service impacts below.

The Mayor and City Council revised the Police Department's 2020-21 Budget as of July 1, reducing the appropriation by \$150 million. To date, we have reported that the Department has been able to adhere to this reduced budget. The three percent reduction that we propose in this report reflects three percent of the Department's budget after the Mayor and City Council adjusted it, but, as with all departments, this proposal does meet that target.

Elimination of Filled Positions - Sworn

The Department's original reduction proposal included the elimination of 355 filled sworn positions with savings calculated at approximately seven months of funding totaling \$25,092,907. This amount consists of \$23,951,527 from the General Fund and \$1,141,380 from special funds. However, for the purposes of this exercise, the number of months for layoffs was estimated to be three months due to the complexity of the layoff process. The recalculated value of the savings generated from the Department's proposal is \$9,362,283, of which \$8,981,823 is from the General Fund and \$380,460 from special funds.

To meet the reduction target, our Office recommends eliminating an additional 596 sworn positions for a total reduction of 951 sworn personnel and savings of \$25,092,907, consisting of \$24,712,447 from the General Fund and \$380,460 from special funds. The elimination of 951 sworn personnel will significantly impact public safety services. This would include the possible closure of area divisions and would impact all aspects of community law enforcement services provided at the division level. These impacts would include a reduction in patrol resources and response times to emergency calls, as well as the elimination of specialized enforcement for human trafficking, cannabis enforcement, A Bridge Home, alcohol sales, and traffic patrols. Additionally, the reduction to sworn personnel would impact the Department's ability to effectively address Part 1 crimes, particularly at a time when the City is experiencing a drastic rise in homicide rates. Currently, the City has experienced 290 homicides and would be further impacted if the deployment of officers is

reduced. In 2002, the number of homicides was 647 with a deployment of 8,800 officers. If the reduction of 951 sworn positions is approved, the Department will be left with approximately 8,801 sworn personnel.

Elimination of Filled Positions - Civilian

The Department's original reduction proposal included the elimination of 273 filled civilian positions with savings calculated at approximately seven months of funding totaling \$15,000,000. This amount is entirely from the General Fund. As stated above, for this report, we assumed that Departments could capture three months of savings from eliminating filled positions. This reduced the value of savings generated by the Department's proposal to \$5,625,000.

Our Office recommends eliminating an additional 455 civilian positions for a total reduction of 728 civilian personnel. This would leave the Department with 2,143 filled civilian positions. This does not take into account the number of civilian staff retiring through the Separation Incentive Program (SIP). The elimination of 728 civilian personnel will significantly impact public safety services. This includes a reduction in reporting services to the public; crime scene processing; Deoxyribonucleic Acid (DNA) analyses; fleet vehicle maintenance and repair services; and California Public Records Act request processing. Additionally, the reduction would lead to the closure of some units, including its Area Records Units that assist officers in the field. Finally, if the civilian layoffs are approved, sworn personnel would be reassigned to provide some civilian roles, further reducing the number of officers available for patrol.

Sworn Salary Reduction - Hire only 41 recruits

The Department proposes to reduce General Fund expenditures in its Salaries, Sworn Account by \$7,348,016. The reduction will impact services by eliminating the hiring of 210 Officers.

Contract with the Los Angeles County - Traffic Information System

The Department proposes to reduce General Fund expenditures in its Contractual Services Account by \$38,000 for access services to the Regional Terrorism Intelligence and Integration System (RTIIS) and Law Enforcement Information Exchange (LINX). Various agencies use these systems at a regional level to support investigative crime analysis.

Lynx Software Licensing Renewal - Digital Photo System Management Support

The Department proposes to reduce General Fund expenditures in its Contractual Services Account by \$55,000 for services that detectives use to retrieve photo evidence required to prepare and file cases within the required 72-hour filing window in compliance with existing legal requirements. Losing access to this service will impact the City's ability to pursue cases and defend the City against litigation.

Maintenance Contract - APRIS/ICARS

The Department proposes to reduce General Fund expenditures in its Contractual Services Account by \$15,000 for maintenance of the Department's arrest records system. The reduction will impact services by reverting the Department to storing records in paper form, including personnel records as well as critical crime and arrest reports. Additionally, there will be no disaster recovery setup to prevent the loss of the records, which contain sensitive, classified, and confidential department crime and arrest information. There are currently over 50 million arrest and crime reports in ICARS with a total size over 7TB.

Kitroom Information Tracking System (KITS)

The Department proposes to reduce General Fund expenditures in its Contractual Services Account by \$34,000 for services related to equipment tracking and accountability efficiency. This reduction could delay officers from going out to the field. The Kitroom Information Tracking System (KITS) is the Department's sole inventory system for managing all kitroom activities and transactions, including equipment inventory, auditing, equipment checkout and check-in, barcoding, and reporting. There are currently about sixty (60) kitrooms, divisions, and units that use and rely on KITS to aid in equipment checkout activities, equipment accountability, and records. KITS provides equipment use history and time stamps, as well as officer checkout history and use. Commanding officers, planners, managers, and supervisors utilize KITS to determine equipment level, availability, usage, readiness, or Bad Orders (B/O) in real-time. Auditors, inspectors, and investigators use KITS to investigate both equipment and personnel. KITS identifies and notifies supervisors and oversight personnel of overdue and outstanding checkouts.

Batteries and Accessories for Handheld Radios

The Department proposes to reduce General Fund expenditures in its Contractual Services Account by \$861,602 for field repairs of radios. This reduction could compromise the safety of officers and the public.

Palantir Contract and Servers

The Department proposes to reduce General Fund expenditures in its Contractual Services Account by \$120,000 for pin-map style link charts services, delaying the department's response to life-threatening incidents.

Security Services

The Department proposes to reduce security services to the Cultural Affairs Department, El Pueblo, and Bureau of Sanitation, which will result in a special fund savings of \$94,622. Security services will be reduced by 890 hours to the Cultural Affairs Department and El Pueblo and 1,056 hours to the Bureau of Sanitation. There will be a reduction of \$44,844 in the Contractual Services Account, \$48,510 in the General Overtime Account, and \$1,268 in the Salaries, As-Needed Account.

Force Option Simulator (FOS)

The Department proposes to reduce General Fund expenditures in its Furniture, Office, and Technical Equipment Account by \$413,000. The Department proposes to defer the replacement of two FOS, which are currently used for recruit and in-service de-escalation training. Only 20-percent of the Department's current FOS machines are operational.

Moderate Service Impacts

The Department's reduction proposals with moderate service impacts total \$2,227,899, which will result in a savings of \$2,048,602 from the General Fund and \$179,287 from special funds. The General Fund reductions are to the Salaries Sworn (\$1,009,000), Printing and Binding (\$34,300), Contractual Services (\$426,000), Field Equipment Expense (\$27,050), Transportation (\$74,000), Office and Administrative (\$347,187), and Operating Supplies (\$131,065) accounts. The special fund reductions are to the Overtime Sworn Account (\$19,050) and the Firearms, Ammunition, Other Account (\$160,237). These reductions will have moderate service impacts, such as less task forces with the Department of Transportation to combat Bandit Taxicabs, reduced less lethal supply, elimination of the Department's Commercial Crimes Division's software renewals, elimination of the Department's Information Technology Bureau funds to assist the Department with its technology needs, reduced maintenance to shooting ranges, including lead removal, and, reduced purchases and renewals of LAN/WAN support software to prevent cybersecurity attacks.

Minimal Service Impacts

The Department's reduction proposals with minimal service impacts total \$338,737, comprised entirely of the General Fund. The reductions are from the Printing and Binding (\$34,680), Contractual Services (\$155,000), Field Equipment Expense (\$9,550), Uniforms (\$6,115), Office and Administrative (\$107,307), and Operation Supplies (\$26,085) accounts. These reductions reflect reduced equipment and supplies, such as funding to host public meetings and specialized uniform patches for the Los Angeles World Airport uniforms.

CC. Public Works/Board

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 76 through 79

The Board of Public Works submitted a General Fund reduction proposal totaling \$672,000. Upon our review, we have proposed alternative General Fund reductions of \$673,869 and special fund reductions of \$20,926 (Attachment 1). We list the proposed reductions that differ from the Board's proposals and those with significant service impacts below:

Elimination of Filled Positions

Our Office recommends to eliminate one filled position for a reduction of \$20,926, which is comprised entirely of special funds supported by the General Fund. The elimination of one Management Analyst will impact the Sidewalk Repair Program's speed to process applications for sidewalk repair requests. We believe that the Board can internally transfer the employee to an existing vacant position and that this would not trigger a layoff.

Clean and Green

The Board proposes to reduce General Fund expenditures in its Contractual Services Account by \$480,443. The reduction will result in less weed abatement in the City and reducing the number of contract jobs for the Clean and Green Program by 60 from 175 to 115.

LA Riverkeepers

The Board proposes to reduce General Fund expenditures in its Contractual Services Account by \$60,000. The reduction will result in reducing the number of contract jobs for the LA Riverkeepers program by four from 12 to eight.

Hire LA Youth

The Board proposes to reduce General Fund expenditures in its Contractual Services Account by \$112,500. The reduction will impact Hire LA Youth services and result in the reduction of jobs the Board provides through this Program by 75 from 225 to 150.

DD. Public Works/Bureau of Contract Administration **Attachment 1A – Departmental Budget Reductions – Reduction Nos. 80, 81, and 82**

The Bureau of Contract Administration (Bureau) submitted a reduction proposal totaling \$1,255,672, of which \$745,312 is from the General Fund and \$510,360 from special funds. The Bureau and the CAO are in agreement with the reductions listed in Attachment 1. We have listed reduction proposals with significant service impacts below.

Reduced Contractual Services for Outreach Services

The Bureau proposes to reduce General expenditures in its Contractual Services Account by \$170,000. This will reduce outreach and training for workers and small businesses through the Office of Wage Standards and the Business Inclusion Program. These services have already been reduced as a result of the pandemic.

Hiring Hall

The Bureau proposes to reduce General Fund expenditures in its Hiring Hall Salaries Account (\$293,400) and its Benefits Hiring Hall Account (\$178,629). The reduction is anticipated to have minimal service impacts due to the department's ability to absorb the work through its existing Construction Inspectors. The Bureau typically uses these funds to conduct additional inspection services.

The Bureau also proposes to reduce special fund expenditures from the Salaries General Account (\$510,360) and General Fund expenditures from the Transportation Account (\$103,283). These reductions are anticipated to have minimal service impacts due to the projected surpluses in these accounts.

EE. Public Works/Bureau of Engineering
Attachment 1A – Departmental Budget Reductions – Reduction Nos. 83 through 88
Recommendation Nos. 13, 36, and 37

The Bureau of Engineering (Bureau) submitted a reduction proposal totaling \$2,767,191, of which \$1,057,455 is from the General Fund and \$1,760,652 from special funds. Upon our review we have proposed adjustments to the Bureau's proposal, which did not include sufficiently specific reductions, to make it compliant with the exercise (Attachment 1). The Bureau is not in agreement with our revised proposal, in particular the elimination of filled positions and associated layoffs. The CAO reduction proposal totals \$2,818,107, of which \$1,023,365 is from the General Fund and \$1,794,742 from special funds. We list the proposed reductions that differ from the Bureau's proposals and those with significant service impacts below.

Since the Bureau does not support this proposal, we recommend that the City Council give it the opportunity to propose alternatives to these reductions by December 14, 2020, that meet the \$2,818,107 savings target with a less significant operational impact. The Bureau has stated that it will present an alternative by this date, comprised of the following:

1. Salary reimbursements to the General Fund for staff working on special funded projects.
2. Having staff work on SCM emergency sewer repair projects and on revenue generating work in the Development Services Program.

Elimination of Filled Positions (Non-Sewer Construction and Maintenance Fund)

Our Office recommends to eliminate a total of 27 filled positions for three-months for a cumulative savings of \$842,069, which is comprised of \$710,968 in General Fund and \$131,101 in special funds, as follows:

- Three positions consisting of one Building Mechanical Engineer II, one Civil Engineering Associate IV and one Architect. This will eliminate support for the Los Angeles Convention Center project.
- Two Council/Board liaisons, consisting of one Environmental Engineer and one Civil Engineering Associate III. This will impact coordination between the Bureau, Mayor's Office, Council District Offices, and other City departments.
- Eight positions in the Architectural Division consisting of one Senior Civil Engineer, two Civil Engineers, two Civil Engineering Associate IIIs, two Architects, and one Mechanical Engineering Associate III. Taking into consideration staff that will retire through the SIP and other proposed staffing reductions within the Architectural Division, the staffing will be reduced by over 40 percent compared to current levels, and will significantly impact City facility and Recreation and Park's projects.
- Four positions consisting of one Civil Engineer, two Civil Engineering Associate IIIs, and one Civil Engineering Associate II within the Construction Management Division. This will impact City facility and Recreation and Park's projects.

- One Building Electrical Engineer II. This will impact the City Hall Electrical Upgrades Project.
- Two positions consisting of one Building Electrical Engineer II and one Electrical Engineering Associate III. This will impact the Electrical Vehicle and Solar Power Engineering projects.
- One Emergency Management Coordinator I. The Bureau may assign emergency management duties among other staff.
- One Management Analyst. This will reduce the administrative support for the Proposition O Program to one Senior Management Analyst.
- One Community Affairs Advocate. This will impact project outreach and community relations.
- Four Secretaries. These positions support Principal Civil Engineers that have recently retired on November 5, 2020 through the Separation Incentive Program (SIP).

Sewer Construction and Maintenance Expense Account and As-Needed Salaries

Our Office recommends reducing the Bureau's Sewer Construction and Maintenance Fund (SCM) appropriation by \$698,121 from the Office and Administrative \$167,045 from the total SCM appropriation of \$501,210), Contractual Services (\$131,076 from the total SCM appropriation of \$688,396), and Salaries, General (\$400,000) accounts. The Bureau will have to delay office supply purchases, paying for equipment and software subscription leases, and paying for system application support services. The reduction in Salaries, General will eliminate surplus funding that the Bureau typically would use to hire as-needed staff, and thus will require it to release approximately 32 as-needed positions. The elimination of this funding will reduce the Bureau's ability to complete wastewater projects.

Contractual Services Reductions

The Bureau proposes to reduce expenditures in its Contractual Services Account by \$245,642, which is comprised entirely of special funds. The reduction will impact services by eliminating consulting services for Active Transportation Program Projects, eliminating Cal/OSHA safety training for staff working on wastewater funded projects, and reducing funding for various equipment and copier leases and maintenance.

Hiring Hall Salaries Reduction

Our Office recommends to reduce expenditures in the Bureau's Hiring Hall Salaries Account by \$100,000, which is comprised entirely of the General Fund. This will reduce the use of hiring hall surveyors and impact project delivery, since these services will be performed by existing resources instead of hiring hall employees.

Overtime Reductions

The Bureau proposes to reduce expenditures in its Overtime General Account by \$317,939, which is comprised entirely of special funds. The reduction will impact services by eliminating overtime work on wastewater treatment projects, and projects funded by the Stormwater Pollution Abatement Fund, Proposition C Fund, and the Gas Tax Fund.

Transportation Reductions

Our Office recommends to reduce expenditures in its Transportation Account by \$41,000, comprised of \$10,000 in General Fund and \$31,000 in special funds. The reduction will impact the staff that currently receives mileage reimbursements as it will require staff to use City pool vehicles to perform field inspections.

Related Costs

Our Office recommends that the Bureau increase its revenue for the related costs reimbursement from the Special Gas Tax Improvement Fund (\$74,304) and the Stormwater Pollution Abatement Fund (\$53,438) for a total amount of \$127,742. The increased revenue is attributed to the proposed salary reductions, which increase the amount of available funding to pay related costs and reduce the General Fund subsidy.

This Office proposes the remaining reduction totaling \$445,594, comprised of \$74,655 from the General Fund and \$370,939 in special funds, from the Bureau's Salaries General Account (\$150,520), Construction Expense Account (\$19,778), Field Equipment Expense Account (\$12,511), Office and Administrative Account (\$230,627), and Operating Supplies Account (\$32,158). These reductions are anticipated to have minimal service impacts due to the department's ability to charge some salaries to other funding sources, defer its purchase of tools and field equipment, and reduce expenditures as a result of employees working from home.

FF. Public Works/Bureau of Sanitation

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 89 through 98

The Bureau of Sanitation submitted a reduction proposal totaling \$9,917,338, which is comprised of \$1,259,872 in General Fund and \$8,657,466 in special funds. Upon our review, we have proposed alternative reductions to portions of the Bureau's proposal in order to meet the three percent target. Our proposed reduction totals \$10,043,210 and is comprised of \$1,259,872 in General Fund and \$8,783,338 in special funds. We summarize our recommendations in Attachment 1. We list items that differ from the Bureau of Sanitation's proposals or those with significant service impacts below.

Salary Savings

The Bureau of Sanitation proposes to reduce expenditures in its Salaries General Account. Upon review, this Office recommends increasing that amount by \$125,872 in order to meet the three percent reduction target. Our proposed reduction is 4,276,429, which is comprised entirely of special funds. The reduction will not impact services and is comprised of salary savings in the Sewer Construction and Maintenance Fund.

Facility Maintenance

The Bureau of Sanitation proposes to reduce expenditures in its Contractual Services Account by \$34,368 is comprised entirely of special funds. The reduction will delay maintenance on the Central Los Angeles Recycling Transfer Station facilities, which may result in increased equipment failures and subsequent closures.

Recycling Program

The Bureau of Sanitation proposes to reduce expenditures in its Contractual Services Account by \$586,094, which is comprised entirely of special funds. The reduction will not impact services and is from savings due to a deferred waste characterization report. Delaying the contract will delay the Bureau's ability to evaluate the recycLA service provider's diversion data.

Household Hazardous Waste and Used Oil

The Bureau of Sanitation proposes to reduce expenditures in its Contractual Services Account by \$105,653, which is comprised entirely of special funds. The reduction will reduce the number of mobile household hazardous waste and used oil collection events.

Field Equipment Expenses

Our Office recommends to reduce expenditures in the Bureau's Field Equipment Expense Account by \$1,259,872, which is comprised entirely of the General Fund. The Bureau of Sanitation proposed a reduction in the same amount in its Salaries Overtime Account, which would impact homeless encampment clean up services. Our Office proposes an alternative reduction in the Field Equipment Expense Account, which will not impact services and is derived from savings due to deferred expenditures such as tools and automated litter bin replacements.

Reassignment of Staff

The Bureau of Sanitation proposes to reduce expenditures in its Salaries General Account by \$2,954, which is comprised entirely of special funds. The single position in the Los Angeles Regional Agency Fund works on coordination with other waste and recycling providers throughout the Los Angeles Region. This position will be reassigned to other duties for one pay period to generate savings.

Contractual Services

The Bureau of Sanitation proposes to reduce expenditures in its Contractual Services Account by \$2,000,000, which is comprised entirely of special funds. The reduction will impact solid waste warehouse security, truck washing, bulky item and recycling outreach, customer care center infrastructure support, and GIS support. These reductions may lead to increased theft of materials, rise in the number of rodents or other vectors within the City's fleet of waste collection vehicles, increased illegal dumping, longer call wait times, and increased inefficiencies in routing collection vehicles.

Deferred Equipment Maintenance/Replacement

The Bureau of Sanitation proposes to reduce expenditures in its Field Equipment Expense Account by \$100,000, which is comprised entirely of special funds. The reduction will delay solid waste equipment maintenance and replacement, which may result in equipment failure and service delays.

Deferred Facility Maintenance

The Bureau of Sanitation proposes to reduce expenditures in its Construction Expense Account by \$75,000, which is comprised entirely of special funds. The reduction will delay solid waste facility maintenance and may result in more costly repairs in the future.

The remaining reduction totaling \$1,602,840 is proposed from the Bureau of Sanitation's Hiring Hall Salaries (\$350,000), Benefits Hiring Hall (\$100,000), Transportation (\$17,000), Uniforms (\$105,000), and Operating Supplies (\$533,178), Office and Administrative (\$292,662), Travel (\$5,000), and Printing and Binding (\$200,000) accounts. These reductions are anticipated to have minimal service impacts due to deferred facility maintenance, savings from vacancies, and from reduced office supplies due to staff telecommuting.

GG. Public Works/Bureau of Street Lighting

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 99, 100, and 101

The Bureau of Street Lighting (Bureau) submitted a reduction proposal totaling \$1,113,609, which is comprised entirely of special funds. The Bureau and the CAO are in agreement with the reductions listed in Attachment 1. We list items with significant service impacts below:

Co-Location Program Front Funding

The Bureau proposes to reduce special fund expenditures in its Operating Supplies Account (\$477,407) and Street Lighting Improvements and Supplies Account (\$400,000), which will result in a cumulative savings of \$877,407. The reduction will impact services by delaying the completion of projects, since the Bureau will have to collect fees before finishing its work rather than completing the project on a reimbursement basis.

Operating Supplies Reductions

Our Office recommends to reduce special fund expenditures in the Bureau's Operating Supplies Account, which will result in a savings of \$218,215. This reduction represents approximately nine percent of the budget appropriation for this account, and leaves a balance of nearly \$2.10 million, or 84 percent of the total appropriation. It will impact services by reducing the Bureau's ability to purchase supplies for various projects.

The remaining special fund reduction of \$17,987 is proposed from the Overtime General Account. The department should be able to absorb this reduction and it is anticipated to have minimal service impacts.

HH. Public Works/Bureau of Street Services
Attachment 1A – Departmental Budget Reductions – Reduction Nos. 102, 103, 104, and 105

The Bureau of Street Services submitted a reduction proposal totaling \$5,043,187, of which \$659,349 is from the General Fund and \$4,383,838 from special funds. The Bureau of Street Services and the CAO are in agreement with the reductions listed in Attachment 1. We list items with significant service impacts below.

Salaries General Account

The Bureau of Street Services proposes to reduce special fund expenditures in its Salaries General Account by \$1,888,413. The Bureau will replace this funding with new funding from its agreement with the Department of Water and Power (DWP) to perform its street and sidewalk work using the Bureau's staff. While this will preserve jobs, it will shift street and sidewalk work from City projects to DWP's projects. The reduction will impact services by reducing the Failed Streets Program by 17.2 lane miles from a program goal of 42 lane miles. In addition, there will be an overall reduction to the Sidewalk Repair - Access Ramp Program by approximately \$800,000. The City should still be able to meet the minimum expenditure requirement of the Willits Settlement as it relates to access ramps.

Construction Expense Account

The Bureau of Street Services proposes to reduce special fund expenditures in its Construction Expense Account by \$2,391,901. This reduction will impact services by reducing the purchases of asphalt for failed streets and concrete for sidewalks, streets, curbs, and gutters. Instead, the Bureau will be purchasing asphalt and concrete for DWP work and requesting reimbursement and appropriation of funds from DWP revenue, to cover this cost.

Overtime General Account

The Bureau of Street Services proposes to reduce expenditures in its Overtime General Account by \$732,873, of which \$629,349 is from the General Fund and \$103,524 from special funds. This reduction will impact services by reducing the design services for bikeways and transportation grant projects and by reducing the number of investigators performing sidewalk vending compliance checks and COVID compliance checks.

Field Equipment Expense Account

The Bureau of Street Services proposes to reduce General Fund expenditures in its Field Equipment Expense Account by \$20,000. This reduction will result in the deferral of some field equipment parts purchases.

The remaining General Fund reduction totaling \$10,000 is from the Bureau's Transportation Expense (\$5,000) and Uniform Expense (\$5,000) accounts. The Bureau should be able to absorb these reductions with minimal service impacts.

II. Transportation

Attachment 1A – Departmental Budget Reductions – Reduction Nos. 106, 107, and 108

The Department of Transportation originally submitted a reduction proposal totaling \$2,344,007, of which \$1,125,000 was from the General Fund and \$1,219,007 from special funds. This Office and the Department of Transportation worked together to identify alternative reductions to meet the 3% reduction target of \$5,411,192, of which \$3,235,694 is from the General Fund and \$2,175,498 from special funds. We present that joint proposal in this report. We have listed items with significant service impacts below.

Salaries General Account

The Department, with the assistance of the CAO, propose to reduce expenditures in the Department's Salaries General Account by \$1,836,378, comprised of special funds including Measure M (\$1.00 million), the Permit Parking Revenue Fund (\$0.58 million), and Proposition C (\$0.20 million). These amounts reflect vacant special funded positions that the department will not be able to fill during the current hiring freeze. As a result, the reduction will have minimal impact to services since the positions are already vacant. The vacancies are in services that include transportation planning and engineering support, the Permit Parking program, the Dockless Mobility program, and field operations.

Overtime Salaries

We also propose to reduce expenditures in its Overtime General Account by \$3,571,807, of which \$3,235,694 is from the General Fund and \$336,113 from special funds. The reduction is consistent with the Mayor and City Council's restriction on non-emergency overtime. In some cases, the reduction a small impact on services by limiting the amount of available overtime that can be spent on various transportation-related programs and support services. In other cases, most notably the large General Fund reductions, the cut reflects reduced overtime associated with the cancellation of special events during the pandemic.

The remaining special fund reduction totaling \$3,007 is proposed from the Salaries, As-Needed Account and we anticipate only a minimal service impact.

JJ. Zoo

Attachment 1A – Departmental Budget Reductions – Reduction No. 109

The Zoo submitted a reduction proposal totaling \$681,198, comprised entirely of special funds. The Zoo and the CAO are in agreement with the reductions listed in Attachment 1. The department proposes to reduce its Salaries, As-Needed (\$481,198), Contractual Services (\$60,000), Printing

and Binding (\$10,000), Office and Administrative (\$20,000), and Overtime General (\$110,000) accounts. There are no significant impacts anticipated from the proposed reductions to the salary and expense accounts. These savings are a result of program cancellations due to the pandemic.

2. STATUS OF DEPARTMENTAL BUDGETS

This section only discusses the status of department budgets with significant changes in expenditures and/or revenues from what was previously reported in the First FSR. In addition, this section includes recommendations for critical transfers and transactions to meet operation needs.

A. Animal Services

Attachment 11 – Appropriations from the Unappropriated Balance Recommendation No. 44

The previously reported General Fund spending above plan of \$4,455,201 has been reduced by \$1,252,045 to \$3,203,156. This reduction is attributed to revised projections for hiring and non-SIP related payouts. As previously reported, the Department has incurred unbudgeted costs attributed to providing security at two temporarily closed shelters. The Department is requesting funding from the COVID-19 Emergency Fund, but requires a transfer from the Unappropriated Balance Reserve for Mid-Year Adjustments Account to provide sufficient funds until the Mid-Year FSR. This Office will work with the Department to identify savings to address the remaining overspending.

There are no significant changes from the previously reported revenue projections.

This Office recommends the following transactions at this time:

- Transfer \$230,000 from the Unappropriated Balance, Reserve for Mid-Year Adjustments Account to the Department's Contractual Services Account for unbudgeted security costs at two temporarily closed shelters.
- Reappropriate \$20,000 from the Department's 2014-15 Contractual Services Account to the Department's 2020-21 Contractual Services Account to pay down invoices for an outdated medical waste disposal contract.

B. City Attorney

No Recommendation

There are no significant changes from the previously reported expenditures for this Department. Although there are sufficient funds within the Litigation Account to support current expenditures, an additional appropriation of funds may be required in the subsequent FSR based on the current rate of expenditures in this account.

The Department reports a revised revenue projection of \$29.53 million, which is a \$5.18 million shortfall from its General Fund revenue budget of \$34.71 million. This shortfall is largely attributed to reduced department reimbursements as a result of the Citywide audit reported in the First FSR. The City Attorney's Office will be credited with the remaining balance of costs owed to the City.

C. Civil and Human Rights Department
No Recommendation

This Office previously reported \$453,000 in General Fund spending above plan. Subsequently, the Mayor and Council approved approximately \$1.2 million in additional funding for the Department (C.F. 20-0761). Based on this additional funding, this Office now projects the Department to complete the year within its revised budget.

D. Council

Attachment 9 – Transfers between Accounts within Departments and Funds

Attachment 10 – Transfers between Departments and Funds

Attachment 11 – Appropriations from the Unappropriated Balance

The Council requests the following transactions at this time:

- Transfer \$1.6 million from the Council's Salaries General Account to the Council's Salaries, As-Needed (\$1.0 million), Printing and Binding (\$100,000), and Office and Administrative (\$500,000) accounts to align the Council's operating budget with current expenditures.
- Transfer \$90,000 from the Central Los Angeles Recycling and Transfer Station (CLARTS) Trust Fund's Contractual Services Account to the Bureau of Street Services' Contractual Services Account for the installation of tree lights within Council District 14.
- Transfer \$3,163,293 from the Unappropriated Balance's Equipment, Expense, Alternation and Improvement Account to the Council's Salaries, As-Needed Account (\$1,763,293), General Services Department's Salaries Construction Projects (\$200,000), Contractual Services (\$110,000), and Construction Materials (\$300,000) accounts, and the Capital Improvement Expenditure Program's City Facilities Maintenance and Improvement Account (\$790,000).
- Upon receipt of the Unappropriated Balance funds in the amount of \$790,000, transfer the total uncommitted balance of \$3,980,098 within the Capital Improvement Expenditure Program's City Facilities Maintenance and Improvement Account to a new appropriation account within the fund in order to consolidate funding across multiple fiscal years and facilitate tracking of funds, timely expenditures and administrative close out of prior year accounts.

E. Economic and Workforce Development Recommendation Nos. 45 and 46

There are no significant changes from the previously reported expenditure and revenue projections for this Department. As part of their COVID-19 response efforts, the Department has been providing loans and grants to small businesses through their Small Business Microloan Program and the Los Angeles Regional COVID-19 Relief and Recovery Fund (LA Regional Fund). With Council's recent action to convert the microloan program to a small business grant program using the City's Coronavirus Relief Funds (CRF), both of these programs are funded by CRF. The Department has identified approximately \$700,000 in administrative savings from the LA Regional Fund that they are requesting to transfer to the Small Business Recovery Grant Program to address restaurants, cafes, and related sectors that applied under this program that could not be accommodated due to a lack of funds.

This Office recommends the following transactions at this time:

- Transfer \$700,000 in unexpended Coronavirus Relief Funds originally allocated for the Los Angeles Regional COVID-19 Relief and Recovery Fund to provide grants to pending applicants through the Small Business Recovery Grant Program.
- Authorize and instruct the Department to prepare Controller Instructions and/or any necessary technical adjustments consistent with Council action, subject to the approval of the City Administrative Officer.

F. El Pueblo Attachment 11 – Appropriations from the Unappropriated Balance

There are no significant changes from the previously reported expenditure and revenue projections for this Department. The First FSR identified a special fund revenue shortfall of \$4.15 million in the El Pueblo de Los Angeles Historical Monument Revenue Fund due to COVID-19 related closures. The actions approved in the First FSR reduced the revenue shortfall to \$3.3 million. As revenues have not increased, the Department requires sufficient cash to support department operations through March 2021. This Office recommends appropriating an additional \$850,000 from the General Fund to the El Pueblo de Los Angeles Historical Monument Revenue Fund to support cash flow needs from January through March 2021.

This Office recommends the following transactions at this time:

- Transfer \$858 from the Unappropriated Balance, Zoo and El Pueblo Revenue Shortfalls Account to the El Pueblo de Los Angeles Historical Monument Revenue Fund cash balance to support El Pueblo's limited operations from January to March 2021.
- Transfer \$849,142 from the Unappropriated Balance, Reserve for Mid-Year Adjustments Account to the El Pueblo de Los Angeles Historical Monument Revenue Fund cash balance to support El Pueblo's limited operations from January to March 2021.

G. Fire

Attachment 11 – Appropriations from the Unappropriated Balance

There are no significant changes from the previously reported expenditure and revenue projections for this Department.

This Office recommends the following transaction at this time:

- Transfer \$6.7 million from the Unappropriated Balance's Ground Emergency Medical Transport (GEMT) Quality Assurance Fee (QAF) Program Account to the Department's Contractual Services Account to make quarterly payments to the State. State law requires emergency medical services transport providers to remit the QAF to the State on a quarterly basis and this transfer is required to provide sufficient funds for the Department to make these payments.

H. General Services

No Recommendation

The previously reported \$1.97 million General Fund spending above plan has been reduced and this Office now projects a \$1.3 million General Fund surplus. In addition, the previously reported \$1.50 million special fund surplus has increased to \$5.5 million. These changes are attributed to surpluses of \$7.8 million (\$2.1 million General Fund and \$5.7 million special fund) in the Petroleum Account based on prior year consumption and current gas prices and a \$1.90 million General Fund surplus in the Leasing Account. A portion of these surplus funds will be required to make retroactive bonus payments and address the overspending attributed to placing employees who have tested positive for COVID-19 or had direct exposure with someone who tested positive for COVID-19 on paid administrative leave.

The previously reported revenue shortfall of \$9.94 million has increased by \$1.53 million and this Office now projects a total revenue shortfall of \$11.47 million from the Department's General Fund revenue budget of \$58.07 million. The increase in the revenue shortfall is attributed to a reduction in revenues from the Urban Areas Security Initiative (UASI) grant for improvements related to Land Mobile Radio sites. The related work will be deferred and the corresponding reimbursement will not be realized this fiscal year.

I. Housing and Community Investment

No Recommendation

The previously reported General Fund spending above plan of \$1.34 million has increased by \$360,000 to \$1.7 million. The increase is attributed to projected labor charges and lease costs for the Proposition HHH Program. In addition, the previously reported special fund surplus of \$5.1 million has been reduced to \$3.9 million. This reduction is attributed to an anticipated increase in hiring for the City's Accessible Housing Program. This Office will work with the Department to address the General Fund spending above plan and provide solutions in subsequent FSRs.

The previously reported General Fund revenue shortfall of \$4.1 million has been reduced to \$3.6 million. This reduction is attributed to an anticipated increase in related cost reimbursements from the Department filling vacancies within the Accessible Housing Program.

J. Information Technology Agency
Attachment 8 – New Appropriations

The previously reported General Fund spending above plan of \$1.1 million has increased by \$700,000 to \$1.8 million. This increase is attributed to the procurement of software licenses to support Citywide telecommuting. These annual licenses were originally procured in March 2020 with funding provided by the COVID-19 Emergency Response Account and will require renewal in March 2021 if Safer at Home Orders continue to call for widespread telecommuting of City staff. This Office will work with the Department to identify funding for these licenses.

There are no changes to the previously reported revenue projections.

This Office recommends the following transaction at this time:

- Appropriate \$115,272 from the Department's Revenue Source Code 5301, Reimbursements from Other Funds to the Department's Communication Services Account to fund several Communication Services Requests from special funded departments. The Department will not perform the requested work until the funds are appropriated.

K. Mayor
Attachment 10 – Transfers between Departments and Funds
Attachment 11 – Appropriations from the Unappropriated Balance
Recommendation Nos. 47 and 48

The Mayor's Office requests the following transactions at this time:

- Transfer \$111,963 from the Mayor's Contractual Services Account to the General City Purposes Fund's (GCP) Domestic Abuse Response Teams (DART) Account for DART service provider contracts.
- Transfer \$1,881,432 from the Unappropriated Balance's Equipment, Expense, Alternation and Improvement Account to the Mayor's Salaries General Account.
- Disencumber up to \$812 from the unencumbered balance remaining within the Fiscal Year 2019-20 GCP DART Account and reappropriate to the Fiscal Year 2020-21 GCP DART Account to pay outstanding invoices.

- Authorize the Controller to disencumber up to \$29,800 from Fiscal Year 2018-19 encumbered balances for Gang Reduction and Youth Development (GRYD) Service Provider Contracts within the Mayor's Contractual Services Account and reappropriate to the Fiscal Year 2020-21 Mayor's Contractual Services Account to pay for GRYD services completed by Youth Policy Institute prior to the bankruptcy order.

L. Personnel
Recommendation Nos. 49 and 50

There are no significant changes from the previously reported expenditure and revenue projections for this Department. This Office, however, recommends to appropriate and transfer funds associated with a Memorandum of Understanding (MOU) between the City and Los Angeles County for Disaster Service Workers (DSWs) who are acting as COVID-19 contact tracers. Pursuant to the MOU, the County will reimburse the City for employee overtime in support of contact tracing efforts. Various City departments are incurring these overtime costs, and there is a need to appropriate the funds received from the County and transfer funds to City departments to avoid incurring overtime expenditures above plan.

This Office recommends the following transactions at this time:

- Deposit receipts up to \$1.5 million from Los Angeles County into the Personnel Department's General Fund revenue, allocate to various City Department's General Fund revenue, and appropriate to various City Department Overtime General accounts pursuant to the Memorandum of Understanding with Los Angeles County for contact tracing work performed by City employees.
- Instruct the City Clerk to schedule a similar recommendation as above for the first available Council meeting agenda on or after July 1, 2021 for the approval of additional appropriation for receipts deposited after June 30, 2021.

M. Public Works/Bureau of Engineering
Attachment 9 – Transfers between Accounts within Departments and Funds

The previously reported \$2.3 million special fund surplus has increased by \$2.0 million to \$4.3 million and there is no change to the previously reported revenue projections. The increase to the special fund surplus is attributed to salary savings.

This Office recommends the following transaction at this time:

- Transfer \$200,000 in Sewer Capital Funds from the Bureau's Salaries General Account to the Bureau's Salaries, As-Needed Account to provide sufficient cash for the Bureau to meet its payroll obligations. The Bureau has reassigned as-needed staff to the Disaster Service Worker Program and has expended \$378,000 of its \$407,000 budget appropriation in this account.

N. Public Works/Bureau of Sanitation Recommendation No. 51

The previously reported net year-end spending above plan of \$858,613 has increased by \$4,408,020 to \$5,266,633. This increase is attributed to an increase of \$2,734,319 in the previously reported General Fund spending above plan from \$13,500,280 to \$16,234,599 and a decrease of \$1,673,701 in the previously reported special fund surplus from \$12,641,667 to \$10,967,966. The increase in General Fund overspending is attributed to the inadvertent omission of overspending for hazardous waste removal services in the First FSR.

There are no significant changes from the previously reported revenue projections.

This Office recommends the following transaction at this time:

- The Bureau report on Livability Services Program costs and a plan to address the projected \$16.23 million in expenditures above plan.

O. Public Works/Bureau of Street Services No Recommendation

This Office previously reported that the Bureau will finish the year on budget and this Office now projects net year-end expenditures above plan of \$1.64 million, comprised of \$2.14 million in General Fund spending above plan and a \$0.50 million special fund surplus. The \$2.14 million in General Fund spending above plan is attributed to COVID-19 related expenses for employees that are special funded. As previously reported, costs incurred from employees working as Disaster Service Workers or employees on paid administrative leave as a result of testing positive for COVID-19 or exposure to someone who tested positive are not special fund eligible expenditures and an alternative funding source will need to be identified. This Office will work with the Bureau to submit eligible COVID-19 expenditures for reimbursement.

The previously reported revenue shortfall of \$2.77 million from the Bureau's General Fund revenue budget of \$79.22 million has been reduced to a \$1.78 million revenue shortfall. The reduction in the revenue shortfall is attributed to the Bureau using the most current and higher Cost Allocation Plan rates in calculating related cost reimbursements.

P. Zoo Attachment 11 – Transfers from the Unappropriated Balance

There are no significant changes from the previously reported expenditure and revenue projections for this Department. The First FSR identified a special fund revenue shortfall of \$11.12 million in the Zoo Enterprise Trust Fund due to COVID-19 related closures. The actions approved in the First FSR reduced the revenue shortfall to \$6.62 million. As revenues have not increased, the Department requires sufficient cash to support department operations through March 2021. This Office recommends transferring an additional \$3,410,841 from the General Fund to the Zoo

Enterprise Trust Fund to support cash flow needs from January through March 2021. This will reduce the remaining revenue shortfall to approximately \$3.21 million.

This Office recommends the following transaction at this time:

- Transfer \$3,410,841 from the Unappropriated Balance, Zoo and El Pueblo Revenue Shortfalls Account to the Zoo Enterprise Trust Fund cash balance to support the Zoo's limited operations from January to March 2021.

3. STATUS OF NON-DEPARTMENTAL FUNDS AND SPECIAL ACCOUNTS

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

A. General City Purposes

Attachment 10 – Transfers between Departments and Funds

Recommendation No. 47

Account	Account Name	Net Surplus/(Deficit)
0510	Medicare	\$ 880,457
0577	Pensions	693,709
0570	Social Security	140,975
	Total	\$ 1,715,141

This Office projects a net year-end surplus of \$1,715,141 in the payroll accounts within the General City Purposes (GCP) budget comprised of projected surpluses in the Medicare Contributions (\$880,457), Social Security (\$140,975), and Pensions Savings Plan (\$693,709) accounts. Projected surpluses are attributed to departments' adherence to the hiring freeze in response to the Mayor's belt-tightening memo released on March 19, 2020 and the Mayor's 2020-21 fiscal restraint memo released on September 11, 2020. These surpluses may increase further as the City processes retirements through the Separation Incentive Program (SIP) and implements furloughs. We will continue to monitor these accounts and report in a future FSR with recommendations to use surplus funds for budget balancing.

This Office recommends the following transactions at this time:

- Transfer \$111,963 from the Mayor's Contractual Services Account to the General City Purposes Fund's (GCP) Domestic Abuse Response Teams (DART) Account for DART service provider contracts.
- Disencumber up to \$812 from the unencumbered balance remaining within the Fiscal Year 2019-20 GCP DART Account and reappropriate to the Fiscal Year 2020-21 GCP DART Account to pay outstanding invoices.

B. Unappropriated Balance

Attachment 11 – Appropriations from the Unappropriated Balance

Attachment 12A – Status of the UB – General Account

Attachment 12B – Status of the UB – Reserve for Mid-Year Adjustments

Attachment 12C – Status of the UB – Non-General Accounts

The 2020-21 City Budget includes \$85.11 million for the Unappropriated Balance (UB). Subsequent recommendations that the Mayor and Council approved on July 1, 2020 increased the UB by \$132.02 million for a total funding amount of \$217.13 million. Additional actions that the Mayor and Council approved prior to the release of this report have resulted in a net decrease of \$7.57 million to \$209.56 million.

This report includes recommendations to transfer \$0.85 million from the UB, Reserve for Mid-Year Adjustments Account to El Pueblo for revenue shortfalls and an additional \$0.23 million from the UB, Reserve for Mid-Year Adjustments Account to the Animal Services Department for shelter security costs, which will decrease the UB, Reserve for Mid-Year Adjustments Account by \$1.08 million to \$43.41 million.

We also recommend appropriating \$15.16 million from various UB accounts totaling, as follows: \$1.88 from the UB, Equipment, Expense, and Alterations & Improvement Account to the Mayor's Salaries General Account; \$3.16 million from the UB, Equipment, Expense, and Alterations & Improvement Account to various Council accounts; \$6.70 million from the UB, Ground Emergency Medical Transport QAF Program Account to Fire's Contractual Services Account; and, \$3.41 million from the UB, Zoo and El Pueblo Revenue Shortfalls Account to El Pueblo de Los Angeles Historical Monument Fund (\$858) and the Zoo Enterprise Trust Fund (\$3.41 million).

The recommendations in this report result in a net reduction of \$16.24 million from the UB, resulting in a balance of approximately \$193.33 million.

This Office recommends the following transactions at this time:

- Transfer \$858 from the Unappropriated Balance, Zoo and El Pueblo Revenue Shortfalls Account to the El Pueblo de Los Angeles Historical Monument Revenue Fund cash balance to support El Pueblo's limited operations from January to March 2021.
- Transfer \$849,142 from the Unappropriated Balance, Reserve for Mid-Year Adjustments Account to the El Pueblo de Los Angeles Historical Monument Revenue Fund cash balance to support El Pueblo's limited operations from January to March 2021.
- Transfer \$3,410,841 from the Unappropriated Balance, Zoo and El Pueblo Revenue Shortfalls Account to the Zoo Enterprise Trust Fund cash balance to support the Zoo's limited operations from January to March 2021.

- Transfer \$3,163,293 from the Unappropriated Balance's Equipment, Expense, Alternation and Improvement Account to the City Council's Salaries, As-Needed Account (\$1,763,293), General Services Department's Salaries Construction Projects (\$200,000), Contractual Services (\$110,000), and Construction Materials (\$300,000) accounts, and the Capital Improvement Expenditure Program's City Facilities Maintenance and Improvement Account (\$790,000).
- Transfer \$1,881,423 from the Unappropriated Balance's Equipment, Expense, Alternation and Improvement Account to the Mayor's Salaries General Account.
- Transfer \$6.7 million from the Unappropriated Balance's Ground Emergency Medical Transport (GEMT) Quality Assurance Fee (QAF) Program Account to the Fire Department's Contractual Services Account to make quarterly payments to the State. State law requires emergency medical services transport providers to remit the QAF to the State on a quarterly basis and this transfer is required to provide sufficient funds for the Department to make these payments.
- Transfer \$230,000 from the Unappropriated Balance, Reserve for Mid-Year Adjustments Account to the Animal Services Department's Contractual Services Account for unbudgeted security costs at two temporarily closed shelters.

C. Human Resources Benefits

Attachment 9 – Transfers between Accounts within Departments and Funds

This Office previously reported \$6.79 million in net spending above plan within the Human Resources Benefits (HRB) Fund and no actions were recommended at that time. The Personnel Department now reports higher than projected costs in the Unemployment Insurance Account. Expenditures to date in this account total \$4.4 million compared to the budget appropriation of \$2.3 million, resulting in a \$2.1 million shortfall in this account. The Department has identified available savings of \$2.9 million in the Civilian FLEX Program Account for transfer to the Unemployment Insurance Account to cover the current shortfall. The total projected costs for Unemployment Insurance could exceed \$13.0 million for this fiscal year, resulting in approximately \$10.7 million in expenditures above the annual plan of \$2.3 million. It is possible that additional savings may be available in other accounts within the HRB to offset a portion of these unanticipated expenses. The Department will continue to monitor this account and identify potential savings in other accounts. This Office will provide recommendations in the Mid-Year FSR to address these expenditures above plan.

This Office recommends the following transaction at this time:

- Transfer \$2.9 million within the Human Resources Benefits Fund from the Civilian FLEX Program Account to the Unemployment Insurance Account to cover the current account

D. Liability Claims Account
Attachment 13 – Status of Liability Accounts

The 2020-21 City Budget initially provided \$87.92 million for Liability Payouts, allocated between two separate accounts: Miscellaneous Liability Payouts (\$80.55 million) and Public Works, Sanitation Liability Payouts (\$7.37 million). Since the First FSR, the budget has been reduced to \$87.37 million in accordance with Council action on October 20, 2020 that transferred \$552,000 in current year appropriations to the Housing and Community Investment Department (HCID) to handle and oversee *Independent Living Center (ILC)* monitoring fees (C.F. 20-1282). All prior year unexpended for the ILC matter have also been transferred to HCID.

Of the revised \$87.37 million budget, this Office reports that \$15.85 million has been expended out of the Liability Claims Account. Including an additional \$35.80 million pending payment, the total committed amount is \$51.65 million. An estimated amount of \$35.72 million (or 41 percent), of which \$5.58 million is budgeted for Bureau of Sanitation matters, remains for the fiscal year.

As noted in the First FSR, supplemental funding is not provided in the 2020-21 City Budget Unappropriated Balance for liability payouts beyond the amount provided in the Liability Claims Account. While settlement payouts are subject to negotiations and court approvals occurring at any time, based on historical expenditures, it is possible that total payouts will exceed available funding. In light of budget constraints and limited funding, this Office will continue to work with the Office of the City Attorney to monitor the account and to identify additional sources of funds if necessary.

Wilson K. Poon

Wilson K. Poon, Senior Administrative Analyst II

APPROVED:



Ben Ceja, Assistant City Administrative Officer

RHL:BC:JWW:WKP:01210037c

Attachments

ATTACHMENT 1: SUMMARY OF PROPOSED REDUCTIONS

*Note: Cells highlighted as such indicate potential layoff implications

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		

DEPARTMENTAL REDUCTIONS

Aging	Evidence Based Program Contracts	\$ 99,544	\$ 99,544	\$ -	0	Reflects current spending levels for reduced services due to COVID.
	Federal Grants Salary Savings	\$ 74,831	\$ -	\$ 74,831	0	Reduce relate costs subsidy. Reflect current salary savings.
	Evidence Based Programs Salary Savings	\$ 9,348	\$ -	\$ 9,348	0	Reflects current salary savings.
	Other Salary Savings	\$ 10,528	\$ 10,528	\$ -	0	None. Reflects current savings.
	<i>Subtotal</i>	<i>\$ 194,251</i>	<i>\$ 110,072</i>	<i>\$ 84,179</i>	<i>0</i>	
Animal Services	Eliminate Filled Positions (24 Admin Clerks; 2 Directors of Field Operations; 19 Animal Care Technicians)	\$ 689,837	\$ 689,837	\$ -	45	Loss of admin support in shelters and admin offices; reduction of supervision at field offices; fewer staff in shelters.
	Printing and Binding; Animal Feed	\$ 6,437	\$ 3,300	\$ 3,137	0	No impact.
	<i>Subtotal</i>	<i>\$ 696,274</i>	<i>\$ 693,137</i>	<i>\$ 3,137</i>	<i>45</i>	
Building and Safety	Code Enforcement Salary Savings	\$ 300,679	\$ 300,679	\$ -	0	Maintain current reduced code enforcement service levels.
	Special Fund Savings	\$ 3,580,726	\$ -	\$ 3,580,726	0	Mostly from current salary savings.
	<i>Subtotal</i>	<i>\$ 3,881,405</i>	<i>\$ 300,679</i>	<i>\$ 3,580,726</i>	<i>0</i>	No impact.
Cannabis	Accela Project Contractual Services	\$ 135,382	\$ -	\$ 135,382	0	Delaying integration of licensing system with other City systems.
	<i>Subtotal</i>	<i>\$ 135,382</i>	<i>\$ -</i>	<i>\$ 135,382</i>	<i>0</i>	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
CAO	Internship Program Termination	\$ 85,000	\$ 85,000	\$ -	0	Will hire no new interns this year, reducing support and special studies.
	Overtime Reduction	\$ 68,539	\$ 68,539	\$ -	0	Delay processing of Office's work.
						Eliminate remaining funding for Office of Economic Analysis (\$30K), actuarial studies (\$55K), asset management/capital project support (\$200K), and others with minimal impact.
	Contractual Services Reduction	\$ 310,000	\$ 310,000	\$ -	0	
	<i>Subtotal</i>	<i>\$ 463,539</i>	<i>\$ 463,539</i>	<i>\$ -</i>	<i>0</i>	
City Attorney	Eliminate 143 Filled Positions (30 Attorneys and 113 Support Staff Across Various Classifications)	\$ 3,612,698	\$ 3,612,698	\$ -	143	Significant impact to all City Attorney services.
						Tobacco Enforcement Program (\$326K), no impact as replaced by grant; Temporary employment services (\$77K), further reduce administrative support.
	Contractual Services Reduction	\$ 403,491	\$ 403,491	\$ -	0	No impact. Reflects current year savings.
	Printing and Binding	\$ 98,311	\$ 98,311	\$ -	0	
	<i>Subtotal</i>	<i>\$ 4,114,500</i>	<i>\$ 4,114,500</i>	<i>\$ -</i>	<i>143</i>	
City Clerk	Expense Account Reductions	\$ 325,436	\$ 325,436	\$ -	0	Savings to accounts generated due to reduced pandemic activities, such as Salaries, As-Needed (\$51K), Overtime (\$139K), Contractual Services (\$50K), and Office and Admin (\$35K); And Elections Expense (\$45K). Overtime reduction will reduce after hours support of neighborhood councils.
	<i>Subtotal</i>	<i>\$ 325,436</i>	<i>\$ 325,436</i>	<i>\$ -</i>	<i>0</i>	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
City Council	Various Account Reductions	\$ 955,929	\$ 953,525	\$ 2,404	0	Represents a three percent reduction for the City Council.
	Subtotal	\$ 955,929	\$ 953,525	\$ 2,404	0	
City Planning	Mills Act Contract Inspection Delays	\$ 70,000	\$ 70,000	\$ -	0	Increase backlog for historic preservation inspections.
	Reduce EIR Contracts	\$ 855,000	\$ -	\$ 855,000	0	No impact to policy planning schedules and work programs.
	Overtime Reduction	\$ 161,795	\$ 10,000	\$ 151,795	0	Reduce staffing at after-hour Commission and community meetings.
	Home Sharing Funding Swap	\$ 500,000	\$ 500,000		0	Move currently GF activities to revenue in new Short Term Rental Enforcement Trust Fund.
	Subtotal	\$ 1,586,795	\$ 580,000	\$ 1,006,795	0	
Civil and Human Rights	Furniture Expense Reduction	\$ 12,527	\$ 12,527	\$ -	0	Delay purchase of a portion of furniture (full cost is \$256K).
	Subtotal	\$ 12,527	\$ 12,527	\$ -	0	
Convention and Tourism	Salary Savings	\$ 48,557		\$ 48,557	0	No impact. Reflects current salary savings.
	Subtotal	\$ 48,557	\$ -	\$ 48,557	0	
Controller	Accounting Assistance Program As-Needed Salaries	\$ 190,000	\$ 190,000	\$ -	0	Departments will be required to identify front-funding if they are to use this program.
	Expense Account Reductions	\$ 304,556	\$ 304,556	\$ -	0	Department will have to reduce use of contracts (\$185K) and reduce office and administrative accounts (\$120K).
	Subtotal	\$ 494,556	\$ 494,556	\$ -	0	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
Cultural Affairs	Theater Facilities Consultant Reduction	\$ 50,000	\$ -	\$ 50,000	0	Contract for development of a plan to maximize theater receipts; unlikely to award this year anyway.
	Expense and Event Cost Reductions	\$ 439,853	\$ -	\$ 439,853	0	Reduction for programs curtailed due to COVID closures including Summer Youth Jobs program (\$154K), Youth Programming Account (\$132K), LA Tourism Promotion Account (\$50K), American for the Arts 2021 Convention Support (\$50K), and Citywide Exhibits (\$39K).
	<i>Subtotal</i>	<i>\$ 489,853</i>	<i>\$ -</i>	<i>\$ 489,853</i>	<i>0</i>	
Disability	Unified Homeless Response Center staffing	\$ 18,000	\$ 18,000	\$ -	0	As-needed funding, will reduce assistance from Disability.
	Contractual Services Reductions	\$ 50,000	\$ 50,000	\$ -	0	Department will be able to maintain, but not enhance or expand ADA and HIV programs.
	Common Look Software License Purchase Delay.	\$ 34,000	\$ 34,000	\$ -	0	Will delay required payment into 2021-22.
	Expense Account Reductions	\$ 33,288	\$ 33,288	\$ -	0	Low impact cuts to printing and binding (\$10K), travel (\$15K), HIV/AIDS prevention (\$8K).
	<i>Subtotal</i>	<i>\$ 135,288</i>	<i>\$ 135,288</i>	<i>\$ -</i>	<i>0</i>	
Economic and Workforce Development	Economic Development Contract Reductions	\$ 198,358	\$ 198,358	\$ -	0	From a total budget amount of \$300K for property management, appraisal services, market analysis, technical assistance.
	Expense and Salary Account Reductions	\$ 501,557	\$ 60,000	\$ 441,557		Reflects reduced activity levels due to COVID and from salary savings (\$9K), leasing (\$418K), and travel (\$75K).
	<i>Subtotal</i>	<i>\$ 699,915</i>	<i>\$ 258,358</i>	<i>\$ 441,557</i>	<i>0</i>	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
El Pueblo	Expense and Salary Account Reductions	\$ 48,944	\$ -	\$ 48,944	0	Reduction reflect reduced activity due to COVID in Overtime (\$10K), Water and Electricity (\$10K), and Special Events (\$20K) accounts.
	Subtotal	\$ 48,944	\$ -	\$ 48,944	0	
Emergency Management	Administrative Intern Program Reduction	\$ 73,000	\$ 73,000	\$ -	0	Will be unable to backfill intern vacancies. Makes it more difficult to respond to emergency events and EOC activation.
	Overtime Reduction	\$ 28,904	\$ 28,904	\$ -	0	
	Subtotal	\$ 101,904	\$ 101,904	\$ -	0	
Employee Relations Board	Third-party Mediator / Factfinder Contract Reduction	\$ 6,987	\$ 6,987	\$ -	0	Could be problematic as cannot use of these services. Minimal impact from Office and Admin (\$4K) and Travel (\$2K) account reductions.
	Expense Account Reductions	\$ 6,000	\$ 6,000	\$ -	0	
	Subtotal	\$ 12,987	\$ 12,987	\$ -	0	
Ethics	Special Prosecutor Contract Reduction	\$ 27,976	\$ -	\$ 27,976	0	No impact, as Commission does not anticipate needing a special prosecutor this year. Commission would not be able to hire for as-needed support.
	Administrative Support As-Needed Reduction	\$ 80,000	\$ -	\$ 80,000	0	
	Subtotal	\$ 107,976	\$ -	\$ 107,976	0	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
Finance	Tax Compliance Officers Salary Savings	\$ 100,000	\$ 100,000	\$ -	0	Minimal impact. Savings generated by delayed hiring for tax amnesty program employees. Program is now nearly complete.
	Bank Service Fees Reduction	\$ 507,310	\$ 498,806	\$ 8,504	0	Prior year funds for termination payments to Bank of America. No invoices received by due date. If invoices arrive late, Department will not have funding for them.
	Cannabis Security Reduction	\$ 26,969		\$ 26,969	0	Savings in various expense accounts from lower than anticipated LAPD invoices; Department will lack funding if invoices increase.
	Expense Account Reductions	\$ 501,612	\$ 497,839	\$ 3,773	0	Minimal impact from savings in As-Needed Salaries (\$200K), Contractual Services (\$145K), and Transportation (\$153K) accounts.
	<i>Subtotal</i>	<i>\$ 1,135,891</i>	<i>\$ 1,096,645</i>	<i>\$ 39,246</i>	<i>0</i>	
Fire	Reduce First Recruit Class from 65 to 35 and Eliminate Second Class	\$ 3,212,976	\$ 3,032,976	\$ 180,000	0	Reduce staffing, with impacts exacerbated by constant staffing reduction, below.
	Suspend Youth Programs, Including Girls Camp, Metro and Valley Youth Programs, Applicant Orientation Program	\$ 515,610	\$ 515,610	\$ -	0	These programs have been curtailed due to pandemic. No impact.
	Overtime-Variable Staffing Rescue Ambulance Program Reduction	\$ 1,000,048	\$ 1,000,048	\$ -	0	Reduce down to a single unit in Skid Row from current level.
	Constant Staffing / Platoon Duty Staffing Reduction	\$ 13,838,853	\$ 13,838,853	\$ -	0	Department would not be able to fully staff all shifts, which would likely reduce response times.
	<i>Subtotal</i>	<i>\$ 18,567,487</i>	<i>\$ 18,387,487</i>	<i>\$ 180,000</i>	<i>0</i>	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
General Services	Petroleum Account Reduction	\$ 3,895,000	\$ 2,075,000	\$ 1,820,000	0	No impact, resulting from lower usage and low fuel costs.
	Leasing Account Reduction	\$ 1,950,426	\$ 1,891,426	\$ 59,000	0	Eliminates reserve required for lease increases resulting from ongoing negotiations and common area maintenance costs.
	Utilities Account Reduction	\$ 775,000	\$ 775,000	\$ -	0	Majority of reduction is from sweeping prior year accounts (\$649K) and should have no impact.
	Vehicle Maintenance System Upgrade Delay	\$ 600,000	\$ 600,000	\$ -	0	Reduce contract that was to be used to enable real-time updates between FMS and VMS.
	Mail Services Reduction	\$ 105,258	\$ 105,000	\$ 258	0	Will reduce Department's ability to conduct optional correspondences, including from elected officials.
	Salary Savings	\$ 383,287	\$ -	\$ 383,287	0	No impact, current salary savings.
	Subtotal	\$ 7,708,971	\$ 5,446,426	\$ 2,262,545	0	
HCID	Accessible Housing Program Reduction	\$ 541,153	\$ -	\$ 541,153	0	Will reduce GF appropriation by this amount, comprised of salary savings (\$465K) and OT savings (\$76K); no impact
	SCEP Reductions	\$ 380,000	\$ -	\$ 380,000	0	No impact as reduction reflect current salary savings in program
	Expense and Salary Account Reductions	\$ 1,512,974		\$ 1,512,974	0	No impact reductions to capture savings across a variety of special funds. Savings include Leasing (\$633K) and Salaries, General (\$862K) accounts.
	Subtotal	\$ 2,434,127	\$ -	\$ 2,434,127	0	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
ITA	HRP Contract Reduction	\$ 380,000	\$ 380,000	\$ -	0	Eliminate supplementary vendor services, and access to third party oversight.
	Offsite Disaster Recovery Site Elimination	\$ 611,000	\$ 611,000	\$ -	0	Reduction in contractual services (\$511K) and Office and Admin Account (\$100K); Lose hot site capacity for PaySR, which has never been used, but would delay recovery.
	Google Vault Elimination	\$ 605,000	\$ 605,000	\$ -	0	Would delay an upgrade to email search and archive solution until future funding is identified.
	Communication Service Request Front Funding Elimination	\$ 276,000	\$ 276,000	\$ -	0	Departments would have to identify front funding for CSRs
	Network and Radio Equipment Reduction	\$ 660,381	\$ 660,381	\$ -	0	31% reduction to account, but leaves \$1.17 million for remainder of year, compared to \$270K spent to date.
	Expense Account Reductions	\$ 388,931	\$ 388,931	\$ -	0	No impact. Reductions to capture savings in including Contractual Services (\$100K), Office and Administrative (\$189K), and Furniture (\$100K) accounts.
	<i>Subtotal</i>	<i>\$ 2,921,312</i>	<i>\$ 2,921,312</i>	<i>\$ -</i>	<i>0</i>	
Mayor	Various Account Reductions	\$ 256,788	\$ 247,098	\$ 9,690	0	Represents a three percent reduction for the Mayor's Office.
	<i>Subtotal</i>	<i>\$ 256,788</i>	<i>\$ 247,098</i>	<i>\$ 9,690</i>	<i>0</i>	
Neighborhood Empowerment	Contractual Services Reductions	\$ 41,500	\$ -	\$ 41,500	0	Reductions from delaying Department's Quick Base license until 2021-22 (\$22K), and reducing NC election outreach services (\$20K), which will be made up for by recent appropriation.
	Expense Account Reductions	\$ 43,385	\$ -	\$ 43,385	0	Minimal impacts. Primary reduction to Office and Administrative Account (\$40K).

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		

Subtotal \$ 84,885 \$ - \$ 84,885 0

Personnel	Expense Account Reductions	\$ 1,876,219	\$ 1,801,861	\$ 74,358	0	Reductions in emergency medical services (\$1.80 million) and the rideshare program (\$74K) reflect actual spending to date and will have no impact.
	Subtotal	\$ 1,876,219	\$ 1,801,861	\$ 74,358	0	

Police	Eliminate 951 Filled Sworn Positions.	\$ 25,092,907	\$ 24,712,447	\$ 380,460	951	Significant impacts on patrol, response times, and special enforcement units. Reduce the Department's capacity to address Part 1 Crimes. In combination with stopping hiring (below) will reduce deployment to 8,800 sworn personnel.
	Eliminate 728 Filled Civilian Positions.	\$ 15,000,000	\$ 15,000,000	\$ -	728	Significant impacts on public safety services including reporting, crime scene processing, DNA analysis, and vehicle maintenance and repair. Reduce civilian staff to 2,143 positions before SIP departures.
	Reduce Sworn Hiring	\$ 7,348,016	\$ 7,348,016	\$ -	0	Would stop backfilling of 210 officers anticipated to leave department by year-end.
	Traffic Information System Contract Reduction	\$ 38,000	\$ 38,000	\$ -	0	County contracts for shared information services, including those related to terrorism and law enforcement information exchange.
	Digital Photo Management System Contract Reduction.	\$ 55,000	\$ 55,000	\$ -	0	Used by detectives for criminal investigations.
	Arrest Records System Maintenance Contract Reduction	\$ 15,000	\$ 15,000	\$ -	0	Would require Department to revert to paper storage of crime and arrest records.

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
Police, Continued	Kitroom Tracking System Reduction	\$ 34,000	\$ 34,000	\$ -	0	Would slow equipment tracking and impact accountability possibly delaying deployment.
	Handheld Radio Battery Accessories Reduction	\$ 861,602	\$ 861,602	\$ -	0	Compromise ability to perform radio field repairs.
	Pin-map Style Link Chart Service Reduction	\$ 120,000	\$ 120,000	\$ -	0	Could delay response times.
	Security Services Reductions	\$ 94,622	\$ -	\$ 94,622	0	Would reduce security services at El Pueblo, Cultural Affairs, and Sanitation facilities.
	Force Option Simulator Reduction	\$ 413,000	\$ -	\$ 413,000	0	Defer the replacement of this equipment, used for de-escalation training.
	Expense Account Reductions (Moderate Impact)	\$ 2,227,889	\$ 2,048,602	\$ 179,287	0	Accounts reduced include Sworn Salaries (\$1.01 million), Firearms, Ammunition, Other (\$160K), Contractual Services (\$426K), Office and Administrative (\$347K), and Operating Supplies (\$131K). Notable impacts include less lethal supplies, bandit taxicab enforcement, and software renewals.
	Expense Account Reductions (Limited Impact)	\$ 338,737	\$ 338,737	\$ -	0	Accounts reduced include Contractual Services (\$155K), and Office and Administrative (\$107K).
	<i>Subtotal</i>	<i>\$ 51,638,773</i>	<i>\$ 50,571,404</i>	<i>\$ 1,067,369</i>	<i>1,679</i>	
	Eliminate One Filled Position (Sidewalk Repair Support)	\$ 20,926	\$ -	\$ 20,926	0	Funding backed by GF; Will move employee to vacant position and will not trigger layoff.
	Clean and Green Contracts Reduction	\$ 480,433	\$ 480,433	\$ -	0	Reduced weed abatement and loss of 60 out of 175 contract jobs
PW - Board	LA Riverkeepers Contract Reduction	\$ 60,000	\$ 60,000	\$ -	0	Reduce support of river support jobs and loss of four out of 12 contract jobs
	Hire LA Youth Contract Reduction	\$ 112,500	\$ 112,500	\$ -	0	Reduce youth services and loss of 75 out of 225 youth jobs.
	<i>Subtotal</i>	<i>\$ 673,859</i>	<i>\$ 652,933</i>	<i>\$ 20,926</i>	<i>0</i>	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
PW - Con Ad	Worker and Small Business Outreach and Training Contract Reduction	\$ 170,000	\$ 170,000	\$ -	0	Reduce services from these contracts. Budget appropriation is \$450K, and reduction matches current spending rate.
	Hiring Hall Reduction	\$ 472,029	\$ 472,029	\$ -	0	Minimal impact as Bureau is likely to absorb with work through existing staff.
	Salary and Expense Account Reductions	\$ 613,643	\$ 103,283	\$ 510,360	0	Minimal impact, as will capture existing savings in Salaries, General (\$510K) and Transportation (\$103K) accounts.
	<i>Subtotal</i>	<i>\$ 1,255,672</i>	<i>\$ 745,312</i>	<i>\$ 510,360</i>	<i>0</i>	
PW - Engineering	Eliminate 27 Filled Positions	\$ 842,069	\$ 710,968	\$ 131,101	27	Reductions include: LACC Project (3 positions); intragovernmental liaisons (2 positions); 8 positions in Architectural Division (8 positions), coupled with SIP, reduces Division staffing by 40%; 3 civil engineers who support City and RAP projects; CHE electrical upgrade and solar projects (2 electrical engineers); Prop O (1 MA); Duties to be absorbed for 1 community affairs advocate, 4 secretaries, and 1 EMC.
	Wastewater/SCM As-Needed and other Expense Account Reduction	\$ 698,121	\$ -	\$ 698,121	0	As-needed reduction of 32 staff; expense reductions in Office and Administrative (\$167K) and Contractual Services (\$131K) accounts will delay purchase of office supplies and payments for equipment and systems subscription costs.
	Contractual Services Reduction	\$ 245,642	\$ -	\$ 245,642	0	Contracts to be eliminated related to transportation project consultants, workplace safety training, equipment and copier leases.

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
PW - Engineering, Continued	Hiring Hall Surveyor Reduction	\$ 100,000	\$ 100,000	\$ -	0	Will slow project deliver generally, as work will have to be performed in house.
	Overtime Reduction	\$ 317,939	\$ -	\$ 317,939	0	Impact work on wastewater, stormwater, and street projects. Staff will have to use pool vehicles rather than personal vehicles, decreasing efficiency.
	Transportation Account Reduction	\$ 41,000	\$ 10,000	\$ 31,000	0	General Fund revenue benefit, available due to SF reductions.
	Increase Related Cost Revenues	\$ 127,742	\$ 127,742	\$ -	0	Minimal impact to reductions from salary savings (\$151K), Office and Administrative (\$231K), Construction Expense (\$20K), Operating Supplies (\$32K) and Field Equipment (\$13K) accounts.
	Expense Account Reductions	\$ 445,594	\$ 74,655	\$ 370,939	0	
	<i>Subtotal</i>	<i>\$ 2,818,107</i>	<i>\$ 1,023,365</i>	<i>\$ 1,794,742</i>	<i>27</i>	
PW - Sanitation	Sewer Construction Salary Savings	\$ 4,276,429	\$ -	\$ 4,276,429	0	Limited impact as savings are generated from current vacancies. Will delay maintenance at the Central Los Angeles Recycling Transfer Station facilities.
	CLARTS Maintenance Contract Reduction	\$ 34,368	\$ -	\$ 34,368	0	Will delay the evaluation of the recycling program's provider diversion data.
	recycLA Study Deferral	\$ 586,094	\$ -	\$ 586,094	0	This will reduce the number of events that the Bureau can host on these matters.
	Household Hazardous Waste and Used Oil Event Reduction	\$ 105,653	\$ -	\$ 105,653	0	Limited impact as reflects savings the Bureau has generated through tool and automated litter bin replacements.
	Field Equipment Expense Account Reductions	\$ 1,259,872	\$ 1,259,872	\$ -	0	The Bureau will reassign one employee in this Program, who is dedicated to coordination with other recycling providers, for one pay period.
	Los Angeles Regional Agency Fund Temporary Reassignment	\$ 2,954	\$ -	\$ 2,954	0	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
PW - Sanitation (Continued)	Solid Waste Contractual Services Reduction	\$ 2,000,000	\$ -	\$ 2,000,000	0	Reducing contract spending could impact security, truck washing, outreach and public support, and GIS support.
	Solid Waste Field Equipment Expense Account Reduction	\$ 100,000	\$ -	\$ 100,000	0	Will delay equipment maintenance and replacement.
	Solid Waste Construction Expense Account Reduction	\$ 75,000	\$ -	\$ 75,000	0	Will delay facility maintenance.
						Reductions to Hiring Hall Salaries (\$350K), Benefits Hiring Hall (\$100K), Transportation (\$17K), Uniforms (\$105K), Operating Supplies (\$533K), Office and Administrative (\$293K), Travel (\$5k), and Printing and Binding (\$200K) accounts will result in deferred maintenance and other more limited impacts.
	Expense Account Reductions	\$ 1,602,840	\$ -	\$ 1,602,840	0	
	<i>Subtotal</i>	<i>\$ 10,043,210</i>	<i>\$ 1,259,872</i>	<i>\$ 8,783,338</i>	<i>0</i>	
PW - Street Lighting	Co-Location Front Funding Elimination	\$ 877,407	\$ -	\$ 877,407	0	Elimination of front-funding in the Operating Supplies (\$477K) and Street Lighting Improvement Supplies (\$400K) accounts will slow projects as they wait for payment before beginning.
						Negatively impact services if supplies run low, but leaves a balance of over 80% of the account.
	Supplies Account Reduction	\$ 218,215	\$ -	\$ 218,215	0	
	Overtime Reduction	\$ 17,987	\$ -	\$ 17,987	0	Minimal impact.
	<i>Subtotal</i>	<i>\$ 1,113,609</i>	<i>\$ -</i>	<i>\$ 1,113,609</i>	<i>0</i>	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
PW - Street Services	Failed Streets and Access Ramp Salary Reduction	\$ 1,888,413	\$ -	\$ 1,888,413	0	<p>This will reduce funding in the Salaries, General Account to repair failed streets and access ramps. Failed streets work will reduce from 42.0 miles to 24.8 miles. The work will shift to DWP street and sidewalk projects, preserving jobs .</p> <p>The will reduce the purchase of asphalt and concrete for City street and sidewalk work. DWP will replace the funding and work will shift to DWP street and sidewalk projects.</p> <p>Reduction in the Overtime Account will impact design services for bikeways and transportation projects, and reduce inspections related to street vending and COVID.</p> <p>Reductions in Field Equipment Expense (\$20K), Transportation Expense (\$5K), and Uniform Expense (\$5K) accounts. Delay purchase of field equipment parts.</p>
	Construction Expense Account Reduction	\$ 2,391,901	\$ -	\$ 2,391,901	0	
	Design Services, Sidewalk Vending, and COVID Compliance Overtime Reduction	\$ 732,873	\$ 629,349	\$ 103,524	0	
	Expense Account Reductions	\$ 30,000	\$ 30,000	\$ -	0	
	<i>Subtotal</i>	<i>\$ 5,043,187</i>	<i>\$ 659,349</i>	<i>\$ 4,383,838</i>	<i>0</i>	
Transportation	Special Fund Salary Savings	\$ 1,836,378		\$ 1,836,378	0	<p>No impact, primarily in Measure M (\$1 million), Permit Parking Revenue (\$0.58 million), Prop C (\$0.20 million).</p> <p>General fund reduction captures savings from limited special events due to pandemic; special fund reductions may impact services across department's special funded activities.</p> <p>No impact.</p>
	Overtime Reduction	\$ 3,571,807	\$ 3,235,694	\$ 336,113	0	
	Salaries As-Needed Reduction	\$ 3,007	\$ -	\$ 3,007		
	<i>Subtotal</i>	<i>\$ 5,411,192</i>	<i>\$ 3,235,694</i>	<i>\$ 2,175,498</i>	<i>0</i>	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		

Zoo	Expense Account Reductions	\$	681,198	\$	-	\$	681,198	0	Savings in various accounts due to COVID closure including Salaries, As-Needed (\$481K), Contractual Services (\$60K), and Overtime (\$110K).
	Subtotal	\$	681,198	\$	-	\$	681,198	0	
	3% Reduction Subtotal	\$	128,170,505	\$	96,605,266	\$	31,565,239	1,894	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
CAPITAL AND CONSTRUCTION PROJECT REDUCTIONS						
Capital and Construction Project Reductions	Contaminated Soil Removal and Mitigation Deferral	\$ 250,000	\$ 250,000	\$ -	0	No impact to 2020-21 services, but fund will have to be added to 2021-22 budget.
	Window Evaluation and Cleaning Deferral	\$ 65,955	\$ 65,955	\$ -	0	No impact. GSD will not be able to use funding in 2020-21.
	ADA Lift Installation at Italian Hall Deferral	\$ 259,314	\$ 259,314	\$ -	0	Will prevent El Pueblo from leasing this space.
	Sixth Street Viaduct Park Project Deferral	\$ 1,000,000	\$ 1,000,000	\$ -	0	Project will not be ready to begin until June 2022; need to restore funding at that time.
	Yards and Shops Masterplan Deferral	\$ 1,599,367	\$ 1,599,367	\$ -	0	Delay all site space studies except the one for North Marianna.
	Zoopendous Park Improvements Deferral	\$ 195,571	\$ 195,571	\$ -	0	Defer project due to funding gap; will have to consider restoring funding through future budget processes.
	Channel 35 Studio Project Deferral	\$ 784,362	\$ -	\$ 784,362	0	No impact as project is on hold pending identification of funding for \$30 million budget gap.
	CLARTS Organic Processing Facility Project Deferral	\$ 4,000,000	\$ -	\$ 4,000,000	0	This funding cannot be used this year, but will be necessary for project in the future.
	Sweep Account Balances from Completed Capital Projects	\$ 758,137	\$ 758,137	\$ -	0	No impact. Largest amount of \$700K for the Planning Departments EIR work on the Downtown District Design Guidelines, which it has performed in house.
	Capital Project Subtotal	\$ 8,912,706	\$ 4,128,344	\$ 4,784,362	0	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		
NON-DEPARTMENTAL REDUCTIONS						
General City Purposes	GCP: Surpluses from City Membership Fees	\$ 60,127	\$ 60,127	\$ -	0	Excess funds from accounts for already paid memberships
	GCP: Heritage Month Celebrations Reductions	\$ 220,000	\$ 100,000	\$ 120,000	0	The spending rate is slow this year, likely due to COVID, and this leaves \$524K in the account.
	GCP: Official Visits of Dignitaries Reduction	\$ 16,200	\$ 16,200	\$ -	0	The spending rate is slow this year, likely due to COVID, and this leaves \$54K in the account.
Unappropriated Balance	UB: Climate Emergency Mobilization Program Savings and Deferral	\$ 240,000	\$ 240,000	\$ -	0	Reduction reflects salary savings already achieved due to delayed hiring, and the delay of executing a contract, although those costs may be required in 2021-22.
	UB: Commission on Revenue Generation Consulting Reduction	\$ 90,417	\$ 90,417	\$ -	0	Sweep money that is intended to be used to publicize the Commission's findings. Report would not be prepared.
Water and Electricity	Water and Electricity: Sweep Prior Year Funding	\$ 970,569	\$ 970,569	\$ -	0	No impact. Prior year funds are no longer necessary and can be swept to the Reserve Fund.
Business Improvement District	Business Improvement District: Sweep Surplus Consultant Funds	\$ 265,000	\$ 265,000	\$ -	0	No impact. Surplus funds for consultant may be swept to the General Fund.
Public Campaign Matching Funds	Public Campaign Matching Funds: Reduce Current Year Appropriation	\$ 3,431,818	\$ 3,431,818	\$ -	0	No impact. City Ethics Commission will evaluate whether this is feasible and present a report; Will need to determine whether the City is required to repay any amount transferred.
Emergency Operations Fund	Emergency Operations Fund: Surplus Printing Funds	\$ 5,000	\$ 5,000	\$ -	0	No impact. Surplus funds can be swept to General Fund.
LA Tourism and Convention Board	LA Tourism and Convention Board Transfer Reduction	\$ 4,880,000	\$ -	\$ 4,880,000	0	City will reduce its payment due to lower than budgeted Transient Occupancy Tax receipts; No action required, and no General Fund relief.
	Non-Departmental Subtotal	\$ 10,179,131	\$ 5,179,131	\$ 5,000,000	0	

Department/Fund	Item Name	Expenditure Reduction / Revenue Increase			Filled Positions Cut	Impact
		Total	General Fund	Special Funds		

MICLA PROGRAM BUDGETARY SAVINGS

MICLA Program Budgetary Savings	Refunding, Unspent Proceeds, and Reserves	\$ 41,750,000	\$ 41,750,000	\$ -	0	Various actions from MICLA, including refundings, sweeping unspent proceeds, and reverting debt service reserves from matured bonds.
	<i>MICLA Savings Subtotal</i>	<i>\$ 41,750,000</i>	<i>\$ 41,750,000</i>	<i>\$ -</i>	<i>0</i>	
<u>Total Proposed Actions</u>		<u>\$ 189,012,342</u>	<u>\$ 147,662,741</u>	<u>\$ 41,349,601</u>	<u>1,894</u>	

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
Aging					
	<u>Fund 100/02, Aging</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-1	003040, Contractual Services		\$ 99,544.00	580230, Reserve for Unrealized Revenue	\$194,251.00
	<u>Fund 100/02, Aging</u>				
Reduction-2	001010, Salaries General (395/02, 02T102)		\$ 61,376.00		
	001010, Salaries General (410/02, 02T102)		\$ 13,455.00		
	Subtotal		<u>\$ 74,831.00</u>		
	<u>Fund 100/02, Aging</u>				
Reduction-3	001010, Salaries General (424/43, 43T102)		\$ 9,348.00		
	<u>Fund 100/02, Aging</u>				
Reduction-4	001010, Salaries General		\$ 10,528.00		
Animal Services					
	<u>Fund 100/06, Animal Services (55R/06, 39T106)</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-5	002120, Printing and Binding		\$ 3,137.00	580230, Reserve for Unrealized Revenue	\$6,437.00
	<u>Fund 100/06, Animal Services</u>				
Reduction-6	004580, Food and Grain		\$ 3,300.00		
	Subtotal		<u>\$ 6,437.00</u>		
Building and Safety					
	<u>Fund 100/08, Building and Safety</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-7	001010, Salaries General		\$ 300,679.00	580230, Reserve for Unrealized Revenue	\$ 3,881,405.00
	<u>Fund 100/08, Building and Safety (55R/06, 39T106)</u>				
Reduction-8	001010, Salaries General (48R/08,08T108)		\$ 3,537,891.00		
	001010, Salaries General (56V/43,43T108)		\$ 2,285.00		
	001010, Salaries General (46F/08,08T108)		\$ 16,728.00		
	001010, Salaries General (52D/68,68T108)		\$ 13,232.00		
	001010, Salaries General (346/08,08T108)		\$ 10,590.00		
	Subtotal		<u>\$ 3,580,726.00</u>		
Cannabis Regulation					
	<u>Fund 100/13, Cannabis Regulation (60E/13, 13T113)</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-9	003040, Contractual Services		\$ 135,382.00	580230, Reserve for Unrealized Revenue	\$ 135,382.00
City Administrative Officer					
	<u>Fund 100/10, City Administrative Officer</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-10	001070, Salaries, As-Needed		\$ 85,000.00	580230, Reserve for Unrealized Revenue	\$ 463,539.00
	<u>Fund 100/10, City Administrative Officer</u>				
Reduction-11	001090, Salaries, Overtime		\$ 68,539.00		
	<u>Fund 100/10, City Administrative Officer</u>				
Reduction-12	003040, Contractual Services		\$ 310,000.00		
City Attorney					
	<u>Fund 100/12, City Attorney</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-13	003040, Contractual Services		\$ 326,250.00	580230, Reserve for Unrealized Revenue	\$ 499,077.00
	003040, Contractual Services		\$ 74,516.00		
	Subtotal		<u>\$ 400,766.00</u>		
	<u>Fund 100/08, Building and Safety</u>				
Reduction-14	002120, Printing and Binding		\$ 98,311.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
City Clerk					
	<u>Fund 100/14, City Clerk</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-15	001070, Salaries, As-Needed	\$	51,000.00	580230, Reserve for Unrealized Revenue	\$ 325,436.00
	001090, Salaries, Overtime	\$	139,000.00		
	002120, Printing and Binding	\$	5,436.00		
	003040, Contractual Services	\$	50,000.00		
	004170, Elections	\$	45,000.00		
	006010, Office and Administrative	\$	35,000.00		
	Subtotal	\$	325,436.00		
City Planning					
	<u>Fund 100/68, City Planning</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-16	003040, Contractual Services	\$	70,000.00	580230, Reserve for Unrealized Revenue	\$ 1,586,795.00
	<u>Fund 100/68, City Planning</u>				
Reduction-17	003040, Contractual Services (52D/68, 68268T)	\$	300,000.00		
	003040, Contractual Services (52F/68, 68168T)	\$	555,000.00		
	Subtotal	\$	855,000.00		
	<u>Fund 100/68, City Planning</u>				
Reduction-18	001090, Salaries, Overtime	\$	10,000.00		
	001090, Salaries, Overtime (52F/68, 68168T)	\$	20,000.00		
	001090, Salaries, Overtime (52D/68, 68268T)	\$	119,795.00		
	001090, Salaries, Overtime (588/68, 68T168)	\$	12,000.00		
	Subtotal	\$	161,795.00		
	<u>Fund 100/68, City Planning</u>				
Reduction-19	003040, Contractual Services	\$	500,000.00		
Civil and Human Rights Commission					
	<u>Fund 100/15, Civil and Human Rights Commission</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-20	007300, Furniture, Office, and Technical Equipment	\$	12,527.00	580230, Reserve for Unrealized Revenue	\$ 12,527.00
Controller					
	<u>Fund 100/26, Controller</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-21	001070, Salaries, As-Needed	\$	190,000.00	580230, Reserve for Unrealized Revenue	\$ 494,556.00
	<u>Fund 100/26, Controller</u>				
Reduction-22	003040, Contractual Services	\$	185,000.00		
	006010, Office and Administrative	\$	119,556.00		
	Subtotal	\$	304,556.00		
Convention and Tourism Development					
	<u>Fund 100/48, Convention and Tourism Development</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-23	001010, Salaries General (725/48, 48148T)	\$	38,984.00	580230, Reserve for Unrealized Revenue	\$ 48,557.00
	001010, Salaries General (429/10, 10T148)	\$	9,573.00		
	Subtotal	\$	48,557.00		
Cultural Affairs					
	<u>Fund 100/30, Cultural Affairs (480/30)</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-24	009866, Theater Facilities Consultant (480/30, 30T130)	\$	50,000.00	580230, Reserve for Unrealized Revenue	\$ 489,853.00
	<u>Fund 100/30, Cultural Affairs (480/30)</u>				
Reduction-25	009785, Summer Arts and Culture Youth Jobs Program (480/30, 30T130)	\$	154,148.00		
	009860, Youth Programming (480/30, 30T130)	\$	132,000.00		
	009863, American for the Arts 2021 Convention Support (480/30, 30T130)	\$	50,000.00		
	009699, Council Civic Fund (480/30, 30T130)	\$	9,000.00		
	009850, NAACP Awards Show and Festival (480/30, 30T130)	\$	3,000.00		
	009851, Northeast Jazz Festival (480/30, 30T130)	\$	2,100.00		
	009680, Central Ave Jazz Festival (480/30, 30T130)	\$	810.00		
	009494, LA Cultural and Tourism Promotion (480/30, 30T130)	\$	50,000.00		
	009849, Citywide Exhibits (480/30, 30T130)	\$	38,795.00		
	Subtotal	\$	439,853.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
Disability					
	<u>Fund 100/65, Disability</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-26	001070, Salaries, As-Needed		\$ 18,000.00	580230, Reserve for Unrealized Revenue	\$ 135,288.00
	<u>Fund 100/65, Disability</u>				
Reduction-27	003040, Salaries, As-Needed		\$ 50,000.00		
	<u>Fund 100/65, Disability</u>				
Reduction-28	006010, Office and Administrative		\$ 34,000.00		
	<u>Fund 100/65, Disability</u>				
Reduction-29	002120, Printing and Binding		\$ 10,288.00		
	002130, Travel		\$ 15,000.00		
	009800, Aids Prevention Policy		\$ 8,000.00		
	Subtotal		\$ 33,288.00		
Economic and Workforce Development					
	<u>Fund 100/22, Economic and Workforce Development</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-30	003040, Contractual Services (100/22)		\$ 198,358.00	580230, Reserve for Unrealized Revenue	\$ 699,915.00
	<u>Fund 100/22, Economic and Workforce Development</u>				
Reduction-31	001010, Salaries General (62L/22, 22T122)		\$ 8,860.00		
	002130, Travel (57W/22, 22T122)		\$ 75,000.00		
	006030, Leasing (424/43, 43T122)		\$ 62,066.00		
	006030, Leasing (57D/22, 22T122)		\$ 18,206.00		
	006030, Leasing (56E/22, 22T122)		\$ 14,851.00		
	006030, Leasing (57W/22, 22T122)		\$ 262,344.00		
	006030, Leasing (58E/22, 22T122)		\$ 230.00		
	006030, Leasing (100/22)		\$ 60,000.00		
	Subtotal		\$ 501,557.00		
Ethics					
	<u>Fund 100/17, Ethics</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-32	001070, Salaries, As-Needed (534/17, 17T117)		\$ 27,976.00	580230, Reserve for Unrealized Revenue	\$ 107,976.00
	<u>Fund 100/17, Ethics</u>				
Reduction-33	001070, Salaries, As-Needed (534/17, 17T117)		\$ 80,000.00		
El Pueblo					
	<u>Fund 100/33, El Pueblo (737/33, 33133T)</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-34	001090, Salaries Overtime		\$ 10,051.00	580230, Reserve for Unrealized Revenue	\$ 48,944.00
	002030, Communications		\$ 5,926.00		
	003340, Water and Electricity		\$ 10,144.00		
	006700, Merchandise for Resale		\$ 2,600.00		
	006700, Special Events (El Pueblo)		\$ 20,223.00		
	Subtotal		\$ 48,944.00		
Emergency Management					
	<u>Fund 100/35, Emergency Management</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-35	001070, Salaries, As-Needed		\$ 73,000.00	580230, Reserve for Unrealized Revenue	\$ 101,904.00
	<u>Fund 100/35, Emergency Management</u>				
Reduction-36	001090, Salaries Overtime		\$ 28,904.00		
Employee Relations Board					
	<u>Fund 100/36, Employee Relations Board</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-37	003040, Contractual Services		\$ 6,987.00	580230, Reserve for Unrealized Revenue	\$ 12,987.00
	<u>Fund 100/36, Employee Relations Board</u>				
Reduction-38	002130, Travel		\$ 2,000.00		
	006010, Office and Administrative		\$ 4,000.00		
	Subtotal		\$ 6,000.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
Finance					
	<u>Fund 100/39, Finance</u>			<u>Fund 100/58, Unappropriated Balance</u>	
	Reduction-39 001010, Salaries General		\$ 100,000.00	580230, Reserve for Unrealized Revenue	\$ 1,135,891.00
	<u>Fund 100/39, Finance</u>				
	Reduction-40 004040, Bank Service Fees (761/50, 50T139)		\$ 8,504.00		
	004040, Bank Service Fees (100/39)		\$ 498,806.00		
	Subtotal		\$ 507,310.00		
	<u>Fund 100/39, Finance (60E/13, 13T139)</u>				
Reduction-41	003040, Contractual Services		\$ 24,569.00		
	006010, Office And Administrative		\$ 2,400.00		
	Subtotal		\$ 26,969.00		
Reduction-42	<u>Fund 100/39, Finance</u>				
	002120, Printing And Binding (761/50, 50T139)		\$ 270.00		
	003310, Transportation (761/50, 50T139)		\$ 255.00		
	006010, Office And Administrative (761/50, 50T139)		\$ 3,248.00		
	001070, Salaries, As Needed (100/39)		\$ 200,000.00		
	003040, Contractual Services (100/39)		\$ 145,324.00		
	003310, Transportation (100/39)		\$ 152,515.00		
	Subtotal		\$ 501,612.00		
Fire					
	<u>Fund 100/38, Fire</u>			<u>Fund 100/58, Unappropriated Balance</u>	
	Reduction-43 001093, Overtime Constant Staffing		\$ 478,453.00	580230, Reserve for Unrealized Revenue	\$ 18,567,487.00
	001012, Salaries Sworn		\$ 1,977,230.00		
	001098, Overtime Variable Staffing		\$ 295,211.00		
	002120, Printing and Binding		\$ 10,000.00		
	004430, Uniforms		\$ 272,082.00		
	001012, Salaries Sworn (574/26, 26T138)		\$ 180,000.00		
	Subtotal		\$ 3,212,976.00		
	<u>Fund 100/38, Fire</u>				
	Reduction-44 001098, Overtime Variable Staffing		\$ 515,610.00		
	<u>Fund 100/38, Fire</u>				
	Reduction-45 001098, Overtime Variable Staffing		\$ 1,000,048.00		
	<u>Fund 100/38, Fire</u>				
	Reduction-46 001098, Overtime Variable Staffing		\$ 13,838,853.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
General Services					
	<u>Fund 100/40, General Services</u>			<u>Fund 100/58, Unappropriated Balance</u>	
<i>Reduction-47</i>	003230, Petroleum Products		\$ 2,075,000.00	580230, Reserve for Unrealized Revenue	\$ 7,708,891.00
	003230, Petroleum Products (525/66 66140T)		\$ 100,000.00		
	003230, Petroleum Products (508/50, 50T140)		\$ 1,500,000.00		
	003230, Petroleum Products (41A/50, 50T140)		\$ 220,000.00		
	Subtotal		\$ 3,895,000.00		
	<u>Fund 100/40, General Services</u>				
<i>Reduction-48</i>	006030, Leasing		\$ 1,891,426.00		
	006030, Leasing (342/32, 32140T)		\$ 59,000.00		
	Subtotal		\$ 1,950,426.00		
	<u>Fund 100/40, General Services</u>				
<i>Reduction-49</i>	003330, Utilities Expense Private Company (FY 2018-19)		\$ 648,995.00		
	003330, Utilities Expense Private Company		\$ 126,005.00		
	Subtotal		\$ 775,000.00		
	<u>Fund 100/40, General Services</u>				
<i>Reduction-50</i>	003040, Contractual Services		\$ 600,000.00		
	<u>Fund 100/40, General Services</u>				
<i>Reduction-51</i>	009130, Mail Services (760/50, 50T140)		\$ 258.00		
	009130, Mail Services		\$ 105,000.00		
	Subtotal		\$ 105,258.00		
	<u>Fund 100/40, General Services</u>				
<i>Reduction-52</i>	001010, Salaries General (59C/94, 94T140)		\$ 5,000.00		
	001010, Salaries General (50D/50, 50T140)		\$ 14,191		
	001010, Salaries General (761/50, 50T140)		\$ 50,000		
	001010, Salaries General (760/50, 50T140)		\$ 200,000		
	001010, Salaries General (511/50, 50T140)		\$ 5,620		
	001010, Salaries General (41A/50, 50T140)		\$ 80,000		
	001010, Salaries General (347/50, 50T140)		\$ 28,396		
	Subtotal		\$ 383,207.00		
Housing and Community Development					
	<u>Fund 100/43, Housing and Community Development (10D/43, 43T143)</u>			<u>Fund 100/58, Unappropriated Balance</u>	
<i>Reduction-53</i>	001010, Salaries General		\$ 465,470.00	580230, Reserve for Unrealized Revenue	\$ 2,434,127.00
	001090, Salaries, Overtime		\$ 75,683.00		
	Subtotal		\$ 541,153.00		
	<u>Fund 100/43, Housing and Community Development (41M/43, 43T143)</u>				
<i>Reduction-54</i>	001010, Salaries General		\$ 380,000.00		
	<u>Fund 100/43, Housing and Community Development</u>				
<i>Reduction-55</i>	006030, Leasing (55J/43, 43T143)		\$ 90,000.00		
	006030, Leasing (424/43, 43T143)		\$ 497,743.00		
	001010, Salaries General (424/43, 43T143)		\$ 300,000.00		
	001010, Salaries General (561/43, 43T143)		\$ 402,290.00		
	006030, Leasing (815/43, 43T143)		\$ 24,000.00		
	001010, Salaries General (815/43, 43T143)		\$ 160,000.00		
	003310, Transportation (440/43, 43T143)		\$ 7,000.00		
	006010, Office And Administrative (440/43, 43T143)		\$ 5,000.00		
	003310, Transportation (428/43, 43T143)		\$ 1,000.00		
	001070, Salaries As Needed (428/43, 43T143)		\$ 1,500.00		
	001090, Salaries, Overtime (428/43, 43T143)		\$ 1,000.00		
	006030, Leasing (45C/43, 43T143)		\$ 6,309.00		
	006010, Office And Administrative (517/43, 43T143)		\$ 100.00		
	002120, Printing And Binding (517/43, 43T143)		\$ 200.00		
	006030, Leasing (517/43, 43T143)		\$ 332.00		
	002120, Printing And Binding (569/43, 43T143)		\$ 1,500.00		
	006030, Leasing (569/43, 43T143)		\$ 15,000.00		
	Subtotal		\$ 1,512,974.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
Information Technology Agency					
	<u>Fund 100/32, Information Technology Agency</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-56	003040, Contractual Services		\$ 380,000.00	580230, Reserve for Unrealized Revenue	\$ 2,921,312.00
	<u>Fund 100/32, Information Technology Agency</u>				
Reduction-57	003040, Contractual Services		\$ 511,000.00		
	006010, Office And Administrative		\$ 100,000.00		
	Subtotal		<u>\$ 611,000.00</u>		
	<u>Fund 100/32, Information Technology Agency</u>				
Reduction-58	006010, Office And Administrative		\$ 605,000.00		
	<u>Fund 100/32, Information Technology Agency</u>				
Reduction-59	009350, Communication Services		\$ 276,000.00		
	<u>Fund 100/32, Information Technology Agency</u>				
Reduction-60	006020, Operating Supplies		\$ 660,381.00		
	<u>Fund 100/32, Information Technology Agency</u>				
Reduction-61	003040, Contractual Services		\$ 100,000.00		
	006010, Office And Administrative		\$ 188,931.00		
	007300, Furniture, Office, and Technical Equipment		\$ 100,000.00		
	Subtotal		<u>\$ 388,931.00</u>		
Neighborhood Empowerment					
	<u>Fund 100/47, Neighborhood Empowerment</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-62	003040, Contractual Services		\$ 41,500.00	580230, Reserve for Unrealized Revenue	\$ 84,885.00
	<u>Fund 100/47, Neighborhood Empowerment</u>				
Reduction-63	006010, Office And Administrative		\$ 40,000.00		
	003310, Transportation		\$ 1,485.00		
	009350, Communication Services		\$ 1,900.00		
	Subtotal		<u>\$ 43,385.00</u>		
Personnel					
	<u>Fund 100/66, Personnel</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-64	009600, Employee Transit Subsidy (525/66, 66166T)		\$ 74,358.00	580230, Reserve for Unrealized Revenue	\$ 1,876,219.00
	003040, Contractual Services (100/66)		\$ 1,801,861.00		
	Subtotal		<u>\$ 1,876,219.00</u>		
Police					
	<u>Fund 100/70, Police</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-65	001012, Salaries Sworn		\$ 7,348,016.00	580230, Reserve for Unrealized Revenue	\$ 11,545,866.00
	<u>Fund 100/70, Police</u>				
Reduction-66	003040, Contractual Services		\$ 38,000.00		
	<u>Fund 100/70, Police</u>				
Reduction-67	003040, Contractual Services		\$ 55,000.00		
	<u>Fund 100/70, Police</u>				
Reduction-68	003040, Contractual Services		\$ 15,000.00		
	<u>Fund 100/70, Police</u>				
Reduction-69	003040, Contractual Services		\$ 34,000.00		
	<u>Fund 100/70, Police</u>				
Reduction-70	003090, Field Equipment Expense		\$ 861,602.00		
	<u>Fund 100/70, Police</u>				
Reduction-71	006010, Office And Administrative		\$ 120,000.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
Police (Continued)					
	<u>Fund 100/70, Police</u>				
Reduction-72	003040, Contractual Services (480/30, 30T170)		\$ 22,500.00		
	003040, Contractual Services (737/33, 33170T)		\$ 22,344.00		
	001090, Salaries, Overtime (760/50, 50T170)		\$ 48,510.00		
	001070, Salaries As Needed (760/50, 50T170)		\$ 1,268.00		
	Subtotal		\$ 94,622.00		
	<u>Fund 100/70, Police</u>				
Reduction-73	007300, Furniture, Office & Tech Equip (667/46, 46T170)		\$ 413,000.00		
	<u>Fund 100/70, Police</u>				
Reduction-74	001012, Salaries Sworn		\$ 1,009,000.00		
	001092, Overtime Sworn (596/94, 94T170)		\$ 19,050.00		
	002120, Printing And Binding		\$ 34,300.00		
	003010, Firearms, Ammunition And Other (667/46, 46T170)		\$ 160,237.00		
	003040, Contractual Services		\$ 426,000.00		
	003090, Field Equipment Expense		\$ 27,050.00		
	003310, Transportation		\$ 74,000.00		
	006010, Office And Administrative		\$ 347,187.00		
	006020, Operating Supplies		\$ 131,065.00		
	Subtotal		\$ 2,227,889.00		
	<u>Fund 100/70, Police</u>				
Reduction-75	002120, Printing And Binding		34,680.00		
	003040, Contractual Services		155,000.00		
	003090, Field Equipment Expense		9,550.00		
	004430, Uniforms		6,115.00		
	006010, Office And Administrative		107,307.00		
	006020, Operating Supplies		26,085.00		
	Subtotal		338,737.00		
PW - Board					
	<u>Fund 100/76, PW-Contract Administration</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-76	001010, Salaries General (57F/50, 50T174)		\$ 20,926.00	580230, Reserve for Unrealized Revenue	\$ 673,869.00
	<u>Fund 100/76, PW-Contract Administration</u>				
Reduction-77	003040, Contractual Services		\$ 480,443.00		
	<u>Fund 100/76, PW-Contract Administration</u>				
Reduction-78	003040, Contractual Services		\$ 60,000.00		
	<u>Fund 100/76, PW-Contract Administration</u>				
Reduction-79	003040, Contractual Services		\$ 112,500.00		
PW - Contract Administration					
	<u>Fund 100/76, PW-Contract Administration</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-80	003040, Contractual Services		\$ 120,000.00	580230, Reserve for Unrealized Revenue	\$ 1,255,672.00
	003040, Contractual Services		\$ 50,000.00		
	Subtotal		\$ 170,000.00		
	<u>Fund 100/76, PW-Contract Administration</u>				
Reduction-81	001100, Hiring Hall Salaries		\$ 293,400.00		
	001120, Benefits Hiring Hall		\$ 178,629.00		
	Subtotal		\$ 472,029.00		
	<u>Fund 100/76, PW-Contract Administration</u>				
Reduction-82	001010, Salaries General (59C/94, 94T176)		\$ 60,717.00		
	001010, Salaries General (385/94, 94T176)		\$ 3,182.00		
	001010, Salaries General (540/94, 94T176)		\$ 102,821.00		
	001010, Salaries General (761/50, 50T176)		\$ 278,560.00		
	001010, Salaries General (57F/50, 50T176)		\$ 38,919.00		
	001010, Salaries General (206/50, 50T176)		\$ 12,354.00		
	001010, Salaries General (511/50, 50T176)		\$ 9,274.00		
	001010, Salaries General (347/50, 50T176)		\$ 4,533.00		
	003310, Transportation		\$ 103,283.00		
	Subtotal		\$ 613,643.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

DEPARTMENT	FUND/ACCOUNT	TRANSFER FROM		TRANSFER TO	
		AMOUNT		AMOUNT	
PW - Engineering	<u>Fund 100/78, PW-Engineering</u>			<u>Fund 100/58, Unappropriated Balance</u>	
	Reduction-83 001010, Salaries General (761/50, 50T178)	\$	400,000.00	580230, Reserve for Unrealized Revenue	\$ 1,848,296.00
	006010, Office And Administrative (761/50, 50T178)	\$	167,045.00		
	003040, Contractual Services (761/50, 50T178)	\$	131,076.00		
	Subtotal	\$	698,121.00		
	<u>Fund 100/78, PW-Engineering</u>				
Reduction-84	003040, Contractual Services (48R/08, 08T178)	\$	600.00		
	003040, Contractual Services (540/94 94T178)	\$	179,700.00		
	003040, Contractual Services (761/50, 50T178)	\$	48,101.00		
	003040, Contractual Services (51Q/94, 94T178)	\$	17,241.00		
	Subtotal	\$	245,642.00		
	<u>Fund 100/78, PW-Engineering</u>				
Reduction-85	001100, Hiring Hall Salaries	\$	100,000.00		
	<u>Fund 100/78, PW-Engineering</u>				
Reduction-86	001090, Salaries, Overtime (540/94 94T178)	\$	44,064.00		
	001090, Salaries, Overtime (761/50, 50T178)	\$	215,000.00		
	001090, Salaries, Overtime (206/50, 50T178)	\$	36,221.00		
	001090, Salaries, Overtime (511/50, 50T178)	\$	22,654.00		
	Subtotal	\$	317,939.00		
	<u>Fund 100/78, PW-Engineering</u>				
Reduction-87	003310, Transportation	\$	10,000.00		
	003310, Transportation (206/50, 50T178)	\$	6,000.00		
	003310, Transportation (761/50, 50T178)	\$	25,000.00		
	Subtotal	\$	41,000.00		
	<u>Fund 100/78, PW-Engineering</u>				
Reduction-88	001010, Salaries General (347/50, 50T178)	\$	2,738.00		
	001010, Salaries General (342/32, 32T178T)	\$	2,581.00		
	001010, Salaries General (41A/50, 50T178)	\$	19,236.00		
	001010, Salaries General (528/94, 94T178T)	\$	2,906.00		
	001010, Salaries General (60W/50, 50T178)	\$	6,022.00		
	001010, Salaries General (59C/94, 94T178)	\$	43,200.00		
	001010, Salaries General (57F/50, 50T178)	\$	73,837.00		
	003030, Construction Expense	\$	15,010.00		
	003030, Construction Expense (761/50, 50T178)	\$	4,768.00		
	003090, Field Equipment Expense	\$	6,984.00		
	003090, Field Equipment Expense (761/50, 50T178)	\$	5,527.00		
	006010, Office And Administrative	\$	32,934.00		
	006010, Office And Administrative (206/50, 50T178)	\$	25,890.00		
	006010, Office And Administrative (511/50, 50T178)	\$	29,132.00		
	006010, Office And Administrative (540/94 94T178)	\$	7,692.00		
	006010, Office And Administrative (761/50, 50T178)	\$	134,979.00		
	006020, Operating Supplies	\$	19,727.00		
	006020, Operating Supplies (206/50, 50T178)	\$	3,542.00		
	006020, Operating Supplies (511/50, 50T178)	\$	1,652.00		
	006020, Operating Supplies (540/94 94T178)	\$	1,687.00		
	006020, Operating Supplies (761/50, 50T178)	\$	5,550.00		
	Subtotal	\$	445,594.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
PW - Sanitation					
	<u>Fund 100/82, PW-Sanitation</u>			<u>Fund 100/58, Unappropriated Balance</u>	
<i>Reduction-89</i>	001010, Salaries General (760/50, 50T182)		\$ 4,170,952.00	580230, Reserve for Unrealized Revenue	\$ 10,043,210.00
	001010, Salaries General (761/50, 50T182)		\$ 105,477.00		
		Subtotal	\$ 4,276,429.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-90</i>	003040, Contractual Services (47R/50, 50T182)		\$ 34,368.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-91</i>	003040, Contractual Services (46D/50, 50T182)		\$ 586,094.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-92</i>	003040, Contractual Services (567/50, 50T182)		\$ 88,183.00		
	003040, Contractual Services (586/50, 50T182)		\$ 17,470.00		
		Subtotal	\$ 105,653.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-93</i>	003090, Field Equipment Expense		\$ 1,259,872.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-94</i>	001010, Salaries General (48H/50, 50T182)		\$ 2,954.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-95</i>	003040, Contractual Services (508/50, 50T182)		\$ 2,000,000.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-96</i>	003090, Field Equipment Expense (508/50, 50T182)		\$ 100,000.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-97</i>	003030, Construction Expense (508/50, 50T182)		\$ 75,000.00		
	<u>Fund 100/82, PW-Sanitation</u>				
<i>Reduction-98</i>	006010, Office And Administrative (50D/50, 50T182)		\$ 111,662.00		
	001100, Hiring Hall Salaries (508/50, 50T182)		\$ 350,000.00		
	001120, Benefits Hiring Hall (508/50, 50T182)		\$ 100,000.00		
	002120, Printing and Binding (508/50, 50T182)		\$ 180,000.00		
	003010, Transportation (508/50, 50T182)		\$ 10,000.00		
	004430, Uniforms (508/50, 50T182)		\$ 100,000.00		
	006010, Office And Administrative (508/50, 50T182)		\$ 150,000.00		
	006020, Operating Supplies (508/50, 50T182)		\$ 215,788.00		
	002130, Travel (511/50, 50T182)		\$ 5,000.00		
	002120, Printing and Binding (511/50, 50T182)		\$ 20,000.00		
	003010, Transportation (511/50, 50T182)		\$ 7,000.00		
	004430, Uniforms (511/50, 50T182)		\$ 5,000.00		
	006010, Office And Administrative (511/50, 50T182)		\$ 31,000.00		
	006020, Operating Supplies (511/50, 50T182)		\$ 317,390.00		
		Subtotal	\$ 1,602,840.00		
PW - Street Lighting					
	<u>Fund 100/84, PW-Street Lighting</u>			<u>Fund 100/58, Unappropriated Balance</u>	
<i>Reduction-99</i>	006020, Operating Supplies (206/50, 50T178)		\$ 477,407.00	580230, Reserve for Unrealized Revenue	\$ 1,113,609.00
	008780, Street Lighting Improvement and Supplies		\$ 400,000.00		
		Subtotal	\$ 877,407.00		
	<u>Fund 100/84, PW-Street Lighting</u>				
<i>Reduction-100</i>	006020, Operating Supplies (59C/94, 94T184)		\$ 31,107.00		
	006020, Operating Supplies (51Q/94, 94T184)		\$ 14,892.00		
	006020, Operating Supplies (54O/94, 94T184)		\$ 86,216.00		
	006020, Operating Supplies (206/50, 50T184)		\$ 86,000.00		
		Subtotal	\$ 218,215.00		
	<u>Fund 100/84, PW-Street Lighting</u>				
<i>Reduction-101</i>	1090, Salaries, Overtime (206/50, 50T184)		\$ 17,987.00		

ATTACHMENT 1A
FY 2020-21 BUDGET ADJUSTMENTS
DEPARTMENTAL BUDGET REDUCTIONS

		TRANSFER FROM		TRANSFER TO	
DEPARTMENT	FUND/ACCOUNT		AMOUNT	FUND/ACCOUNT	AMOUNT
PW - Street Services					
	<u>Fund 100/87, PW-Street Services</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-102	001010, Salaries General (51Q/94, 94T186)	\$	752,948.00	580230, Reserve for Unrealized Revenue	\$ 5,043,187.00
	001010, Salaries General (206/50, 50T186)	\$	952,613.00		
	001010, Salaries General (511/50, 50T186)	\$	118,695.00		
	001010, Salaries General (385/94, 94T186)	\$	64,157.00		
	Subtotal	\$	1,888,413.00		
	<u>Fund 100/87, PW-Street Services</u>				
Reduction-103	003030, Operating Supplies (206/50, 50T186)	\$	938,664.00		
	003030, Operating Supplies (59C/94, 94T186)	\$	314,634.00		
	003030, Operating Supplies (41A/50, 50T186)	\$	1,138,603.00		
	Subtotal	\$	2,391,901.00		
	<u>Fund 100/87, PW-Street Services</u>				
Reduction-104	001090, Salaries, Overtime	\$	629,349.00		
	001090, Salaries, Overtime (540/94, 94T186)	\$	40,000.00		
	001090, Salaries, Overtime (579/50, 50T186)	\$	63,524.00		
	Subtotal	\$	732,873.00		
	<u>Fund 100/87, PW-Street Services</u>				
Reduction-105	003090, Field Equipment Expense	\$	20,000.00		
	003310, Transportation	\$	5,000.00		
	004430, Uniforms	\$	5,000.00		
	Subtotal	\$	30,000.00		
Transportation					
	<u>Fund 100/94, Transportation</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-106	1010, Salaries General (59C/94, 94T194)	\$	1,000,000.00	580230, Reserve for Unrealized Revenue	\$ 5,411,192.00
	1010, Salaries General (540/94, 94T194)	\$	200,000.00		
	1010, Salaries General (49C/94, 94T194)	\$	500,000.00		
	1010, Salaries General (49C/94, 94T194)	\$	82,354.00		
	1010, Salaries General (206/50, 50T194)	\$	40,092.00		
	1010, Salaries General (41A/50, 50T194)	\$	13,932.00		
	Subtotal	\$	1,836,378.00		
	<u>Fund 100/94, Transportation</u>				
Reduction-107	1090, Salaries, Overtime (100/94)	\$	3,235,694.00		
	1090, Salaries, Overtime (540/94, 94T194)	\$	256,491.00		
	1090, Salaries, Overtime (447/94, 94T194)	\$	15,413.00		
	1090, Salaries, Overtime (52D/68, 68T194T)	\$	300.00		
	1090, Salaries, Overtime (385/94, 94T194)	\$	12,913.00		
	1090, Salaries, Overtime (761/50, 50T194)	\$	9,786.00		
	1090, Salaries, Overtime (760/50, 50T194)	\$	6,765.00		
	1090, Salaries, Overtime (363/94, 94T194)	\$	11,838.00		
	1090, Salaries, Overtime (596/94, 94T194)	\$	8,071.00		
	1090, Salaries, Overtime (523/94, 94T194)	\$	7,276.00		
	1090, Salaries, Overtime (681/94, 94T194)	\$	5,000.00		
	1090, Salaries, Overtime (206/50, 50T194)	\$	2,260.00		
	Subtotal	\$	3,571,807.00		
	<u>Fund 100/94, Transportation</u>				
Reduction-108	1070, Salaries, As-Needed (206/50, 50T194)	\$	3,007.00		
Zoo					
	<u>Fund 100/87, Zoo (40E/87, 87T187)</u>			<u>Fund 100/58, Unappropriated Balance</u>	
Reduction-109	001070, Salaries, As-Needed	\$	481,198.00	580230, Reserve for Unrealized Revenue	681,198.00
	003040, Contractual Services	\$	60,000.00		
	002120, Printing and Binding	\$	10,000.00		
	006010, Office and Administrative	\$	20,000.00		
	001090, Salaries, Overtime	\$	110,000.00		
	Subtotal	\$	681,198.00		
TOTAL ALL DEPARTMENTS AND FUNDS			\$ 81,589,740.00	\$	81,589,740.00

ATTACHMENT 1B

FY 2020-21 BUDGET ADJUSTMENTS NON-DEPARTMENTAL ACCOUNT REDUCTIONS

TRANSFER FROM		TRANSFER TO	
NON-DEPARTMENTAL FUND	FUND/ACCOUNT	FUND/ACCOUNT	AMOUNT
Unappropriated Balance	<u>Fund 100/58, Unappropriated Balance</u>	<u>Fund 100/58, Unappropriated Balance</u>	
	580271, Climate Change Emergency Mobilization Program	580230, Reserve for Unrealized Revenue	\$ 330,417.00
	580225, Commission on Revenue Generation		\$ 90,417.00
	Subtotal		\$ 330,417.00
Stormwater Pollution Abatement Fund	<u>Fund 511/50, Stormwater Pollution Abatement Fund</u>	<u>Fund 511/50, Stormwater Pollution Abatement Fund</u>	
	50T178, PW Engineering	50T299, Reimbursement of General Fund Costs	\$ 53,438.00
Special Gas Tax Street Improvement Fund	<u>Fund 206/50, Special Gas Tax Street Improvement Fund</u>	<u>Fund 206/50, Special Gas Tax Street Improvement Fund</u>	
	50T178, PW Engineering	50T299, Reimbursement of General Fund Costs	\$ 74,304.00
General City Purposes	<u>Fund 100/56, General City Purposes</u>	<u>Fund 100/58, Unappropriated Balance</u>	
	000207, Independent Cities Association	580230, Reserve for Unrealized Revenue	\$ 296,326.80
	000208, Southern California Association of Governments		40,139.80
	000212, League of California Cities, County Division		288.00
	000214, South Bay Cities Association		4,620.00
	000268, San Fernando Valley Council of Governments		3,500.00
	000306, Official Visits of Dignitaries		16,200.00
	000509, Local Agency Formation Commission		7,104.00
	000839, Westside Cities Council of Governments		2,300.00
	000829, Heritage Month Celebrations (General Fund)		100,000.00
	000829, Heritage Month Celebrations (Arts and Cultural Facilities Tr		120,000.00
	Subtotal		\$ 296,326.80
TOTAL ALL DEPARTMENTS AND FUNDS			\$ 754,485.80
			\$ 754,485.80

ATTACHMENT 2: IMPACTS OF PROPOSED CAPITAL PROJECT REDUCTIONS

<i>Dept</i>	<i>Project Name</i>	<i>Project Description</i>	<i>Status</i>	<i>Total Project Cost for completion</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Funding Source</i>	<i>Impact of Recommendation</i>
Projects with balances of funds no longer needed:								
CAO	Citywide Maintenance And Improvements	Citywide maintenance and improvements annual program to address critical and emergency needs.	Post Construction	\$ 572,510	\$ 325	\$ 325	General Fund	No impact. Residual funds.
BOE	Little Tokyo Library Parking	Funding for parking spaces for the Little Tokyo Library.	Project close out	\$ 586,795	\$ 1	\$ 1	General Fund	No impact. Residual funds.
RAP/BOE	Lead Remediate-Chatsworth	Remove outdoor improvements to remediate presence of lead pellets. Replace recreation amenities for pathway, turf, irrigation infrastructure, trail refurbishment.	Project close out	\$ 1,296,545	\$ 129	\$ 129	General Fund	No impact. Residual funds.
RAP/BOE	Celes King III Pool	Demolition of the pool.	Post Construction	\$ 52,777	\$ 23	\$ 23	General Fund	No impact. Residual funds.
RAP/BOE	Celes King Pool & Bathhouse	Demolition of the pool.	Post Construction	\$ 346,985	\$ 823	\$ 823	General Fund	No impact. Residual funds.
RAP/BOE	Echo Park Skate Park	Demolish existing pool. Construct new 7,500 sf skate park facility with various skateboard features.	Post Construction	\$ 136,528	\$ 11,958	\$ 11,958	General Fund	No impact. Residual funds.
GSD	Citywide Infrastructure Improvements	Citywide Infrastructure repairs and improvements	Post Construction	\$ 44,772	\$ 689	\$ 689	General Fund	No impact. Residual funds.
LAFD/GSD	Fire Life Safety Building Systems	Inspection of fire life safety systems including alarms and sprinklers.	Post Construction	\$ 1,310,247	\$ 22,294	\$ 22,294	General Fund	No impact. Residual funds.
GSD	Citywide Nuisance Abatement	Weed/trash cleanup	Post Construction	\$ 39,260	\$ 575	\$ 575	General Fund	No impact. Residual funds.

<i>Dept</i>	<i>Project Name</i>	<i>Project Description</i>	<i>Status</i>	<i>Total Project Cost for completion</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Funding Source</i>	<i>Impact of Recommendation</i>
GSD	Citywide Elevator Repairs	Elevator repairs	Post Construction	\$ 1,691,940	\$ 7,690	\$ 7,690	General Fund	No impact. Residual funds.
GSD	Citywide Roofing Repair	Roofing Repair	Post Construction	\$ 1,298,161	\$ 1,839	\$ 1,839	General Fund	No impact. Residual funds.
GSD	GSD - Fall Protection System	Fall Protection equipment for Fleet	Post Construction	\$ 79,886	\$ 114	\$ 114	General Fund	No impact. Residual funds.
GSD	Standards Materials Testing Equipment	Standards Materials Testing Equipment	Construction	\$ 86,823	\$ 6,177	\$ 6,177	General Fund	No impact. Residual funds.
GSD	SLA/Jefferson Park Animal Shelter	South LA/Jefferson Park animal shelter renovations	Post Construction	\$ 73,126	\$ 1,078	\$ 1,078	General Fund	No impact. Residual funds.
BSS	Asphalt Plant Maint Equip (100/54/00R674)	Procurement and installation of maintenance equipment.	Post Construction	\$ 40,578	\$ 4,422	\$ 4,422	General Fund	No impact. Residual funds.
Planning	Civic Center Master Plan - Downtown District Design Guidelines.	Department of City's Planning work related to Environmental Impact Report for this project.	Environmental	\$ 1,000,000	\$ 700,000	\$ 700,000	General Fund	Planning reports that staff is not only doing most of the EIR work in-house in advancing the Downtown Design Guidelines but that work has been aligned in their community and general plan areas to minimize use of consultants. The result is that there are still \$700,000 in unspent project funds that can be repurposed for other urgent City needs.
Subtotal: Projects with balances of funds no longer needed						\$ 758,137		

<i>Dept</i>	<i>Project Name</i>	<i>Project Description</i>	<i>Status</i>	<i>Total Project Cost for completion</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Funding Source</i>	<i>Impact of Recommendation</i>
Projects with costs that can be deferred to future years:								
BOE	Contaminated Soil Removal and Mitigation	Assessments and contaminated soil clean-up at City facilities and consultant soils analyses of contaminated sites and technical expertise in preparing mitigation plans for regulatory approval.	Regulatory Approval	Revolving	\$ 250,000	\$ 250,000	General Fund	BOE will request replacement of these funds in the upcoming Fiscal Year to continue subsequent phases of current projects.
CAO	Citywide Yards and Shops Masterplan	Citywide yards and shops masterplan study.	Not Started	\$ 1,669,367	\$ 1,669,367	\$ 1,599,367	General Fund	Defer projects except for the North Marianna site space study.
Zoo	Zoopendous Park Improvements	Design and renovate unimproved Zoopendous park area to usable green park space for Zoo visitors.	Not Started	\$ 360,000	\$ 278,397	\$ 195,571	General Fund	Defer project. Project implementation delayed due to unaddressed shortfalls. Zoo can apply for Prop K funding through 10th Cycle RFP to be released Feb 2021.
GSD	CC Windows Eval & Washing	Evaluation of window system within the Civic Center through exterior cleaning and inspection.	Not Started	\$ 300,000	\$ 65,955	\$ 65,955	General Fund	This work can be deferred as a lower priority within the current funding environment.
ELP/GSD	El Pueblo ADA Lift	Installation of ADA lift for the Italian Hall Building Space W-23, which is needed in order to lease the space to a new tenant.	Not Started	\$ 259,314	\$ 259,314	\$ 259,314	General Fund	Potential revenue impact if El Pueblo were able to lease and obtain rents for this space (vacant due to inoperable ADA lift).
BOE	6th Street PARC	\$38.1 million budget to build a 12-acre park beneath and adjacent to the Viaduct. The project scope will include general landscaping, pathways, irrigation, picnicking areas, fencing, a soccer field with sports field lighting, a restroom building and an Arts Plaza for performances.	Design	\$ 38,101,082	\$ 1,000,000	\$ 1,000,000	General Fund	Temporary reduction. This project cannot be implemented until the Sixth Street Replacement Bridge project is complete (June 2022). \$1M in General Funds will need to be restored as part of the 2022-23 Budget.

<i>Dept</i>	<i>Project Name</i>	<i>Project Description</i>	<i>Status</i>	<i>Total Project Cost for completion</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Funding Source</i>	<i>Impact of Recommendation</i>
BOE/ITA	Channel 35 Studios	Modification of Merced Theater in El Pueblo to accommodate CH 35 studios.	Pre-Design/Outreach	\$ 35,000,000	\$ 784,362	\$ 784,362	PEG	Defer project. Cancellation would trigger a General Fund liability of \$2.97M to repay ITA for PEG Funds expended on this project. There is a significant overall funding shortfall of roughly \$30 million for this project, that must be addressed before project implementation can occur.
Sanitation	CLARTS Organic Processing Facility	New facility to process organic waste materials.	Not Started	\$ 17,000,000	\$ 17,000,000	\$ 4,000,000	Citywide Recycling Trust Fund	There is \$5 million budgeted for infrastructure in CRTF of which only about \$500,000 is anticipated to be used in 2020-21.
Subtotal: Projects with costs that can be deferred to future years						\$ 8,154,569		

Total 2020-21 Savings: \$ 8,912,706

General Fund Savings: \$ 4,128,344

Special Fund Savings: \$ 4,784,362

ATTACHMENT 2A
FY 2020-21 CAPITAL IMPROVEMENT EXPENDITURE PROGRAM BUDGET ADJUSTMENTS

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Capital Improvement Expenditure Program	Fund 100/54, General Fund		Fund 100/58, Unappropriated Balance	
	00S684, CCMDP Environmental Impact Report	\$ 700,000.00	580196, Reserve for Mid-Year Adjustments	\$ 4,128,344.17
	00F757, Lead Remediat-Chatsworth Pk S	129.26		
	00J097, Citywide Yards And Shops Masterplan	1,099,367.08		
	00K035, Celes King Ili Pool	23.31		
	00L046, Citywide Maintenance And Improvements	77.00		
	00L094, Celes King Pool & Bathhouse	823.00		
	00M257, Little Tokyo Library Parking	0.73		
	00N077, Citywide Infrastructure Improvements	688.65		
	00N200, Fire Life Safety Building Systems	19,640.75		
	00N270, Sla/Jp Animal Shelter	1,077.52		
	00P046, Citywide Maintenance And Improvements	247.58		
	00P068, Citywide Nuisance Abatement	575.11		
	00P087, Citywide Elevator Repairs	5,273.76		
	00P304, Echo Park Skate Park	11,958.24		
	00R200, Fire Life Safety Building Systems (Reg 4)	36.70		
	00R624, Zoopendous Park Improvements	195,571.00		
	00R632, Citywide Elevator Repairs	2,416.69		
	00R662, 6Th Street Parc	1,000,000.00		
	00R670, Cc Windows Eval & Washing	65,955.27		
	00R674, Asphalt Plant Maint Equip	4,421.51		
	00S068, Citywide Nuisance Abatement	0.27		
	00S098, Citywide Roofing Repair	1,838.99		
	00S200, Fire Life Safety Building Systems	2,616.81		
	00S691, Yards And Shops - Master Plan Study	500,000.00		
	00S727, El Pueblo Ada Lift	259,314.23		
	00S729, Gsd - Fall Protection System	114.05		
	00S733, Standards Materials Testing Equipment	6,176.66		
	00T318, Contaminated Soil Removal/Mitigation	250,000.00		
		<u>\$ 4,128,344.17</u>		

ATTACHMENT 3: SPECIAL FUNDED VACANCIES

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
Aging	395	Area Plan for the Aging	2	2385-1	Social Worker I
Aging	395, 424	Area Plan for the Aging Community Development Trust	1	2385-3	Social Worker III
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1116	Secretary
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1201	Principal Clerk
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	3	1223	Accounting Clerk
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	13	1358	Administrative Clerk
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1368	Senior Administrative Clerk
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1513	Accountant
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	1539	Management Assistant
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	1596	Systems Analyst
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	1599	Systems Aide
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	11	4211	Building Inspector
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	8	4213	Sr Building Inspector
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	5	4221	Electrical Inspector
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	5	4223	Sr Electrical Inspector
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	4231	Plumbing Inspector
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	23	4251	Building Mechanical Inspector
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	4253	Sr Building Mechanical Inspector
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	4254	Chief Inspector
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	5	4263	Safety Engineer Elevators
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	7213	Geographic Information Systems Specialist

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	3	7956	Structural Engineer
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	9184	Management Analyst
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	3	9425	Sr Structural Engineer
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	4208-4	Assistant Inspector IV
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	4219-2	Assistant Deputy Superintendent of Building II
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	7212-2	Office Engineering Technician II
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	5	7212-3	Office Engineering Technician III
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	3	7244-1	Building Civil Engineer I
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	7244-2	Building Civil Engineer II
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	7525-3	Electrical Engineering Associate III
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	7543-1	Building Electrical Engineer I
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	7554-2	Mechanical Engineering Associate II
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	7554-3	Mechanical Engineering Associate III
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	7561-2	Building Mechanical Engineer II
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	6	7957-2	Structural Engineering Associate II
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	8	7957-3	Structural Engineering Associate III
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	2	7957-4	Structural Engineering Associate IV
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1119-1	Accounting Records Supervisor I
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	12	1358-H	Administrative Clerk (Half-Time)
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1431-2	Programmer/Analyst II
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	4	1431-3	Programmer/Analyst III
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1455-2	Systems Programmer II

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	3	1597-1	Sr Systems Analyst I
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1597-2	Sr Systems Analyst II
Building and Safety	48R	Building and Safety Building Permit Enterprise Fund	1	1670-2	Graphics Designer II
Cannabis Regulation	60E	Cannabis Regulation Special Revenue Fund	2	9184-2	Management Analyst
Cannabis Regulation	60E	Cannabis Regulation Special Revenue Fund	1	1223	Accounting Clerk
Cannabis Regulation	60E	Cannabis Regulation Special Revenue Fund	1	1785-1	Public Relations Specialist I
Cannabis Regulation	60E	Cannabis Regulation Special Revenue Fund	1	1800-1	Public Information Director I
City Planning	62N	Short-term Rental Enforcement Trust Fund	1	1358	Administrative Clerk
City Planning	588	City Planning Systems Development Fund	1	1455-2	Systems Programmer II
City Planning	62N	Short-term Rental Enforcement Trust Fund	1	1523-2	Senior Accountant II
City Planning	588	City Planning Systems Development Fund	1	1597-1	Senior Systems Analyst I
City Planning	588	City Planning Systems Development Fund	1	1670-1	Graphics Designer I
City Planning	588	City Planning Systems Development Fund	1	1779-1	Data Analyst I
City Planning	588	City Planning Systems Development Fund	6	7213	Geographic Information Systems Specialist
City Planning	48R	Building and Safety Building Permit Enterprise Fund	6	7941	City Planning Associate
City Planning	48R	Building and Safety Building Permit Enterprise Fund	1	7944	City Planner
City Planning	62N	Short-term Rental Enforcement Trust Fund	1	7947	Senior City Planner
Economic and Workforce Development	57W	Workforce Innov & Opportunity Act	2	1358	Administrative Clerk
Economic and Workforce Development	57W	Workforce Innov & Opportunity Act	3	1368	Sr Administrative Clerk
Economic and Workforce Development	57W, 424	Workforce Innov & Opportunity Act; Community Development Trust Fund	1	1368	Sr Administrative Clerk
Economic and Workforce Development	57W	Workforce Innov & Opportunity Act	1	1537	Project Coordinator
Economic and Workforce Development	57W, 424	Workforce Innov & Opportunity Act; Community Development Trust Fund	1	1539	Management Assistant
Economic and Workforce Development	57W	Workforce Innov & Opportunity Act	1	1546	Senior Project Assistant
Economic and Workforce Development	57W	Workforce Innov & Opportunity Act	1	2500	Community Program Director
Economic and Workforce Development	424	Community Development Trust Fund	1	9184	Management Analyst
Economic and Workforce Development	57D	CRA NonHousing Bonds Proceeds	1	9184	Management Analyst
Economic and Workforce Development	57W	Workforce Innov & Opportunity Act	4	9184	Management Analyst
Economic and Workforce Development	62L	Economic Development Trust Fund	4	9184	Management Analyst

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
Economic and Workforce Development	57W, 56E, 424	Workforce Innovation and Opportunity Act Fund; LA County Youth Jobs; Community Development Trust Fund	1	9807	Assistant General Manager of EWDD
Economic and Workforce Development	57W	Workforce Innov & Opportunity Act	1	2501-1	Community Program Assistant I
Economic and Workforce Development	57W	Workforce Innov & Opportunity Act	3	9171-1	Sr. Management Analyst I
Economic and Workforce Development	424	Community Development Trust Fund	1	9171-2	Sr Management Analyst II
Economic and Workforce Development	57D	CRA NonHousing Bonds Proceeds	1	9191-1	Industrial and Commercial Finance Officer I
General Services	760	Sewer Operations and Maintenance	1	1214-0	Supply Services Payment Clerk
General Services	347	Street Lighting Maintenance Assessment Fund	2	1832-1	Warehouse and Toolroom Worker I
General Services	760	Sewer Operations and Maintenance	1	1832-1	Warehouse and Toolroom Worker I
General Services	760	Sewer Operations and Maintenance	1	1832-2	Warehouse and Toolroom Worker II
General Services	347	Street Lighting Maintenance Assessment Fund	1	1835-2	Storekeeper II
General Services	206	Special Gas Tax Improvement Fund	1	1835-2	Storekeeper II
General Services	508	Solid Waste Resources Fund	1	1835-2	Storekeeper II
General Services	508	Solid Waste Resources Fund	3	1835-M	Storekeeper II
General Services	508	Solid Waste Resources Fund	1	1839-0	Principal Storekeeper
General Services	347	Street Lighting Maintenance Assessment Fund	1	1839-0	Principal Storekeeper
General Services	508	Solid Waste Resources Fund	2	1859-2	Procurement Analyst II
General Services	508	Solid Waste Resources Fund	2	3531-6	Garage Attendant
General Services	508	Solid Waste Resources Fund	9	3711-6	Equipment Mechanic
General Services	50D	Multi Family Bulky Item Fee	1	3711-6	Equipment Mechanic
General Services	508	Solid Waste Resources Fund	3	3714-6	Automotive Supervisor
General Services	508	Solid Waste Resources Fund	1	3727-6	Tire Repairer
General Services	760	Sewer Operations and Maintenance	3	3743-0	Heavy Duty Equip Mech
General Services	41A	Street Damage Restoration Fee	1	3743-6	Heavy Duty Equip Mech
General Services	508	Solid Waste Resources Fund	1	3743-6	Heavy Duty Equip Mech
General Services	508	Solid Waste Resources Fund	1	3746-0	Equipment Repair Supervisor
General Services	508	Solid Waste Resources Fund	1	3769-6	Welder
General Services	761, 760	Sewer Capital Fund (85%), Sewer Operations & Maintenance (15%)	1	7968-2	Materials Testing Technician II
General Services	41A	Street Damage Restoration Fee	1	7968-2	Materials Testing Technician II
Housing and Community Investment	10D	Accessible Housing Fund	3	9171-1	Sr Management Analyst I
Housing and Community Investment	63C	Lead Grant 12 Fund	1	1358	Administrative Clerk
Housing and Community Investment	56V	Foreclosure Registry Program Fund	2	1368	Sr Administrative Clerk

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
Housing and Community Investment	440	Rent Stabilization Trust Fund	1	1431-4	Programmer/Analyst IV
Housing and Community Investment	63C	Lead Grant 12 Fund	1	1537	Project Coordinator
Housing and Community Investment	10D	Accessible Housing Fund	1	1538	Sr Project Coordinator
Housing and Community Investment	63C	Lead Grant 12 Fund	1	1542	Project Assistant
Housing and Community Investment	45C	Traffic Safety Education Program	1	1550	Program Aide
Housing and Community Investment	10D	Accessible Housing Fund	3	1569-1	Rehab Construction Specialist I
Housing and Community Investment	10D	Accessible Housing Fund	1	1569-1	Rehab Construction Specialist III
Housing and Community Investment	63C	Lead Grant 12 Fund	2	1569-1	Rehab Construction Specialist I
Housing and Community Investment	10D	Accessible Housing Fund	3	1569-2	Rehab Construction Specialist II
Housing and Community Investment	56V	Foreclosure Registry Program Fund	1	4243	Housing Inspector
Housing and Community Investment	56V	Foreclosure Registry Program Fund	1	4244	Sr Housing Inspector
Housing and Community Investment	440	Rent Stabilization Trust Fund	2	9184	Management Analyst
Housing and Community Investment	10D	Accessible Housing Fund	18	9184	Management Analyst
Library	300	Library Fund	1	1111	Messenger Clerk
Library	300	Library Fund	2	1116	Secretary
Library	300	Library Fund	1	1121	Delivery Driver II
Library	300	Library Fund	1	1223	Accounting Clerk
Library	300	Library Fund	21	1358	Administrative Clerk
Library	300	Library Fund	1	1368	Sr Administrative Clerk
Library	300	Library Fund	2	1596	Systems Analyst
Library	300	Library Fund	1	1731	Personnel Analyst
Library	300	Library Fund	2	3112	Maintenance Laborer
Library	300	Library Fund	2	3141	Gardener Caretaker
Library	300	Library Fund	1	3143	Sr Gardener
Library	300	Library Fund	8	6153	Sr Librarian
Library	300	Library Fund	2	6157	Division Librarian
Library	300	Library Fund	6	9184	Management Analyst
Library	300	Library Fund	1	9232	Assistant City Librarian
Library	300	Library Fund	1	9375	Director of Systems
Library	300	Library Fund	8	1172-1	Library Assistant I
Library	300	Library Fund	1	1431-3	Programmer/Analyst III
Library	300	Library Fund	1	1455-1	Systems Programmer I

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
Library	300	Library Fund	1	1785-2	Public Relations Specialist II
Library	300	Library Fund	1	1832-1	Warehouse & Toolroom Worker I
Library	300	Library Fund	13	6152-2	Librarian II
Library	300	Library Fund	1	6155-1	Principal Librarian I
Library	300	Library Fund	2	6155-2	Principal Librarian II
Library	300	Library Fund	2	9171-2	Sr Management Analyst II
Personnel	57W	Workforce Innovation Opportunity Act Fund	1	1731	Personnel Analyst
Personnel	60E	Cannabis Regulation Special Revenue Fund	2	0602-2	Special Investigator II
PW - Engineering	761	Sewer Construction & Maintenance Fund	2	7237	Civil Engineer
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	1116-0	Secretary
PW - Engineering	761, 206	Sewer Construction & Maintenance Fund, Gas Tax	1	1358-0	Administrative Clerk
PW - Engineering	761	Sewer Construction & Maintenance Fund	5	1368-0	Senior Administrative Clerk
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	1368-0	Senior Administrative Clerk
PW - Engineering	761	Sewer Construction & Maintenance Fund	2	1431-3	Programmer Analyst III
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	1596-0	Systems Analyst
PW - Engineering	761, 206	Sewer Construction & Maintenance Fund, Gas Tax	1	1596-0	Systems Analyst
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	1597-1	Senior Systems Analyst I
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	1960-2	Real Estate Officer II
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	1961-0	Senior Real Estate Officer
PW - Engineering	761	Sewer Construction & Maintenance Fund	2	7207-0	Senior Civil Engineering Drafting Technician
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7212-2	Office Engineering Technician II
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7214-1	Geographic Information Systems Specialist
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7217-1	Engineering Designer I
PW - Engineering	761	Sewer Construction & Maintenance Fund	2	7228-0	Field Engineering Aide
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7232-0	Civil Engineering Drafting Technician
PW - Engineering	59C	Measure M	1	7232-0	Civil Engineering Drafting Technician
PW - Engineering	540	Proposition C	1	7237-0	Civil Engineer
PW - Engineering	59C	Measure M	1	7237-0	Civil Engineer
PW - Engineering	761	Sewer Construction & Maintenance Fund	3	7246-2	Civil Engineering Associate II
PW - Engineering	761	Sewer Construction & Maintenance Fund	4	7246-3	Civil Engineering Associate III
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7255-1	Engineering Geologist I
PW - Engineering	761	Sewer Construction & Maintenance Fund	2	7283-0	Land Surveying Assistant
PW - Engineering	761	Sewer Construction & Maintenance Fund	3	7286-1	Survey Party Chief I
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7286-2	Survey Party Chief II
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7287-0	Survey Supervisor
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7304-1	Environmental Supervisor I
PW - Engineering	761	Sewer Construction & Maintenance Fund	2	7310-2	Environmental Special II
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7871-3	Environmental Engineering Associate III
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7872-0	Environmental Engineering Associate III
PW - Engineering	540	Proposition C	1	7957-3	Structural Engineering Associate III
PW - Engineering	761	Sewer Construction & Maintenance Fund	1	7957-3	Structural Engineering Associate III
PW - Engineering	540	Proposition C	1	7957-4	Structural Engineering Associate IV
PW - Engineering	540	Proposition C	1	9184-0	Management Analyst

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
PW - Street Services	206	Gas Tax	1	1358	Administrative Clerk
PW - Street Services	59C, 59V, 60W	Measure M/ SB 1/ Measure W	1	1368	Sr Administrative Clerk
PW - Street Services	59C	Measure M	1	1596	Systems Analyst
PW - Street Services	206	Gas Tax	2	3114	Tree Surgeon
PW - Street Services	206	Gas Tax	1	3115	Maintenance & Construction Helper
PW - Street Services	41A	Street Damage Restoration Fund	1	3115	Maintenance & Construction Helper
PW - Street Services	59C	Measure M	1	3115	Maintenance & Construction Helper
PW - Street Services	59C, 59V, 60W	Measure M/ SB 1/ Measure W	2	3115	Maintenance & Construction Helper
PW - Street Services	540	Proposition C	1	3141	Gardener Caretaker
PW - Street Services	540	Proposition C	1	3143	Sr Gardener
PW - Street Services	206	Gas Tax	2	3151	Tree Surgeon Assistant
PW - Street Services	540	Proposition C	1	3151	Tree Surgeon Assistant
PW - Street Services	206	Gas Tax	1	3344	Carpenter
PW - Street Services	540	Proposition C	1	3344	Carpenter
PW - Street Services	59C	Measure M	2	3344	Carpenter
PW - Street Services	59C, 59V, 60W	Measure M/ SB 1/ Measure W	2	3344	Carpenter
PW - Street Services	206	Gas Tax	1	3345	Sr Carpenter
PW - Street Services	206	Gas Tax	1	3351	Cement Finisher Worker
PW - Street Services	206	Gas Tax	3	3353	Cement Finisher
PW - Street Services	385	Proposition A	2	3353	Cement Finisher
PW - Street Services	540	Proposition C	2	3353	Cement Finisher
PW - Street Services	41A	Street Damage Restoration Fund	1	3353	Cement Finisher
PW - Street Services	59C	Measure M	2	3353	Cement Finisher
PW - Street Services	59C, 59V, 60W	Measure M/SB 1/ Measure W	5	3353	Cement Finisher
PW - Street Services	206	Gas Tax	7	3525	Equipment Operator
PW - Street Services	385	Proposition A	1	3525	Equipment Operator
PW - Street Services	206	Gas Tax	9	3583	Truck Operator
PW - Street Services	59C	Measure M	1	3583	Truck Operator
PW - Street Services	206	Gas Tax	1	3584	Heavy Duty Truck Operator
PW - Street Services	540	Proposition C	1	3584	Heavy Duty Truck Operator
PW - Street Services	206	Gas Tax	3	3585	Motor Sweeper Operator
PW - Street Services	511	Stormwater	1	3585	Motor Sweeper Operator
PW - Street Services	206	Gas Tax	1	3771	Mechanical Helper
PW - Street Services	540	Proposition C	1	7207	Sr Civil Engr Drafting Tech
PW - Street Services	206	Gas Tax	1	9184	Management Analyst
PW - Street Services	540	Proposition C	1	1670-2	Graphics Designer II
PW - Street Services	206	Gas Tax	2	1832-1	Warehouse & Toolroom Worker I
PW - Street Services	206	Gas Tax	1	3117-1	Tree Surgeon Supervisor I
PW - Street Services	540	Proposition C	3	3117-1	Tree Surgeon Supervisor I
PW - Street Services	206	Gas Tax	1	4143-2	Asphalt Plant Operator II
PW - Street Services	540	Proposition C	2	4152-1	St Services Supervisor I
PW - Street Services	59C	Measure M	1	4152-1	St Services Supervisor I
PW - Street Services	540	Proposition C	1	4152-2	St Services Supervisor II
PW - Street Services	59C	Measure M	2	4152-2	St Services Supervisor II
PW - Street Services	59C, 59V, 60W	Measure M/ SB 1/ Measure W	1	4152-2	St Services Supervisor II

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
PW - Street Services	206	Gas Tax	1	4158-1	St Services Superintendent I
PW - Street Services	540	Proposition C	2	4158-1	St Services Superintendent I
PW - Street Services	59C, 59V, 60W	Measure M/ SB 1/ Measure W	1	4158-1	St Services Superintendent I
PW - Street Services	540	Proposition C	1	4158-2	St Services Superintendent II
PW - Street Services	41A	Street Damage Restoration Fund	1	4160-2	St Services General Supt II
PW - Street Services	540	Proposition C	1	7246-2	Civil Engineering Associate II
PW - Street Services	540	Proposition C	2	7246-3	Civil Engineering Associate III
PW - Street Services	540	Proposition C	2	7929-1	Landscape Architect I
PW - Street Services	206	Gas Tax	1	9171-1	Sr Management Analyst I
Transportation	385	Proposition A	2	2480-1	Transportation Planning Associate I
Transportation	59C	Measure M	1	2480-1	Transportation Planning Associate I
Transportation	385	Proposition A	3	2480-2	Transportation Planning Associate II
Transportation	540	Proposition C	2	2480-2	Transportation Planning Associate II
Transportation	59C	Measure M	1	2480-2	Transportation Planning Associate II
Transportation	49C	Permit Parking Program Revenue Fund	1	2481-1	Supervising Transportation Planner I
Transportation	49C	Permit Parking Program Revenue Fund	1	3214-2	Traffic Officer II
Transportation	59C	Measure M	1	3214-2	Traffic Officer II
Transportation	540	Proposition C	1	3421-1	Traffic Paint & Sign Poster I
Transportation	49C	Permit Parking Program Revenue Fund	2	3421-1	Traffic Paint & Sign Poster I
Transportation	540	Proposition C	14	3421-2	Traffic Paint & Sign Poster II
Transportation	41A	Street Damage Restoration Fund	6	3421-2	Traffic Paint & Sign Poster II
Transportation	59C	Measure M	8	3421-2	Traffic Paint & Sign Poster II
Transportation	540	Proposition C	1	3430-1	Traffic Marking & Sign Superintendent I
Transportation	385	Proposition A	2	3734-1	Equipment Specialist I
Transportation	540	Proposition C	2	3839-1	Signal System Supervisor I
Transportation	385	Proposition A	1	7280-2	Transportation Engineering Associate II
Transportation	540	Proposition C	4	7280-2	Transportation Engineering Associate II
Transportation	528	Mobile Source	1	7280-3	Transportation Engineering Associate III
Transportation	540	Proposition C	7	7280-3	Transportation Engineering Associate III
Transportation	59C	Measure M	4	7280-3	Transportation Engineering Associate III
Transportation	540	Proposition C	2	7285-1	Transportation Engineering Aide I
Transportation	49C	Permit Parking Program Revenue Fund	2	7285-1	Transportation Engineering Aide I
Transportation	540	Proposition C	1	7285-2	Transportation Engineering Aide II
Transportation	59C	Measure M	1	7285-2	Transportation Engineering Aide II
Transportation	385	Proposition A	1	9171-1	Senior Management Analyst I
Transportation	540	Proposition C	1	9171-1	Senior Management Analyst I
Transportation	540	Proposition C	1	1368	Senior Administrative Clerk
Transportation	528	Mobile Source	1	1470	Database Architect
Transportation	540	Proposition C	1	1523-1	Senior Accountant I
Transportation	59C	Measure M	1	1523-1	Senior Accountant I
Transportation	385	Proposition A	1	1523-2	Senior Accountant II
Transportation	540	Proposition C	1	1523-2	Senior Accountant II
Transportation	540	Proposition C	1	1525-2	Principal Accountant II
Transportation	540	Proposition C	1	1596	Systems Analyst
Transportation	59C	Measure M	1	1596	Systems Analyst

Department	Fund No.	Source of Fund Title	Count	Class Code	Class Title
Transportation	528	Mobile Source	1	1597-1	Senior Systems Analyst I
Transportation	540	Proposition C	1	1597-1	Senior Systems Analyst I
Transportation	540	Proposition C	1	1597-2	Senior Systems Analyst II
Transportation	540	Proposition C	1	1670	Graphics Designer II
Transportation	49C	Permit Parking Program Revenue Fund	2	1779-1	Data Analyst I
Transportation	59C	Measure M	1	1779-1	Data Analyst I
Transportation	540	Proposition C	5	3112	Maintenance Laborer
Transportation	41A	Street Damage Restoration Fund	2	3112	Maintenance Laborer
Transportation	59C	Measure M	2	3112	Maintenance Laborer
Transportation	540	Proposition C	1	3353	Cement Finisher
Transportation	59C	Measure M	1	3353	Cement Finisher
Transportation	540	Proposition C	1	3428	Sign Painter
Transportation	385	Proposition A	1	3718	General Automotive Supervisor
Transportation	540	Proposition C	1	3773	Mechanical Repairer
Transportation	540	Proposition C	5	3799	Electrical Craft Helper
Transportation	57F	Sidewalk Repair Fund	1	3799	Electrical Craft Helper
Transportation	540	Proposition C	6	3818	Assistant Signal System Electrician
Transportation	57F	Sidewalk Repair Fund	1	3818	Assistant Signal System Electrician
Transportation	59C	Measure M	2	3818	Assistant Signal System Electrician
Transportation	540	Proposition C	7	3819	Signal System Electrician
Transportation	59C	Measure M	4	3819	Signal System Electrician
Transportation	49C	Permit Parking Program Revenue Fund	1	4271	Transportation Investigator
Transportation	49C	Permit Parking Program Revenue Fund	1	4273	Senior Transportation Investigator
Transportation	540	Proposition C	2	7207	Senior Civil Engineering Drafting Technician
Transportation	540	Proposition C	5	7232	Civil Engineering Drafting Technician
Transportation	59C	Measure M	1	7232	Civil Engineering Drafting Technician
Transportation	540	Proposition C	1	7278	Transportation Engineer
Transportation	59C	Measure M	1	7939	Planning Assistant
Transportation	385	Proposition A	1	9184	Management Analyst
Transportation	540	Proposition C	1	9184	Management Analyst
Transportation	59C	Measure M	3	9184	Management Analyst
Transportation	59C	Measure M	1	9262	Senior Transportation Engineer

Total Special Fund Vacancies	670
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ATTACHMENT 4: IMPACTS OF PROPOSED MICLA CAPITAL PROJECT REDUCTIONS

Dept	Project Name	Project Description	Status	Total Project Cost for Completion	Budgeted Funds Remaining	Proposed Reduction	Impact of Recommendation
Projects with balances of funds no longer needed:							
GSD	Building Equipment Life Cycle Replacement Program	To address end of life building systems.	Post Construction	\$ 12,558	\$ 9,177	\$ 9,177	No impact of sweeping of residual funds as the project is complete.
GSD	Capital Repair - Public Safety Facilities	For capital improvements at public safety facilities.	Post Construction	\$ 358,875	\$ 3,814	\$ 3,814	No impact of sweeping of residual funds as the project is complete.
GSD/LAPD	Capital Repair - Police Administration Building	For capital improvements at the Police Administration Building.	Post Construction	\$ 50,971	\$ 2,386	\$ 2,386	No impact of sweeping of residual funds as the project is complete.
GSD	Capital Repair - Marvin Braude Building	For capital improvements at the Marvin Braude Building.	Post Construction	\$ 7,572	\$ 2	\$ 2	No impact of sweeping of residual funds as the project is complete.
GSD/DOT	Municipal Building Energy & Water Management & Conservation	For upgrades to building systems to improve efficiency related to power and water at buildings.	Post Construction	\$ 2,517,129	\$ 26,976	\$ 26,976	No impact of sweeping of residual funds as the project is complete.
GSD/DOT	Piper Yards and Shops Mods	Infrastructure repairs and modifications at Piper Tech to support yards and shops functions	Project close out	\$ 562,000	\$ 138,000	\$ 138,000	Current year needs at this facility were already addressed.
DCA	One Percent for Art	To fund art component for projects already completed in prior years.	Post Construction	\$ 1,187,806	\$ 1,187,806	\$ 1,187,806	No impact of sweeping residual funds as the associated projects have been completed.
Subtotal: Projects with balances of funds no longer needed						\$ 1,368,161	

Projects with costs that can be deferred to future years:

BOE	Highland Park Constituent Service Center	Tenant improvement work to create usable office space of approximately 10,740 square feet of the Old Bank Building..	Not Started	\$ 3,325,000	\$ 3,260,991	\$ 3,260,991	The project is currently on hold. Roof repairs were funded using CIEP funds. There is currently only sufficient funding to address a portion of the improvements required to activate the full facility and additional ongoing costs would be incurred for operations and maintenance.
BOE	Civic Center Parking Structural Repairs	Design and predevelopment costs to repair the City Hall, City Hall East, and LA Mall parking garage.	Not Started	\$ 2,200,000	\$ 440,000	\$ 440,000	Defer design phase to address structural repairs needed for the civic center parking structure.
RAP	North Hollywood Park	Funding originally provided for design and consultant fees to demolish and redevelop a year round aquatics facility and recreation center.	Not Started	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	There is no confirmed project activity. There are preliminary discussion of developing a Master Plan.
BOE	Old Arlington (Washington Irving) Library	Capital improvements and rehabilitation of a historic former library building.	Pre-Design/Outreach	\$ 7,725,000	\$ 944,470	\$ 944,470	Project has not commenced but staff is ready to proceed with design. An anticipated shortfall of \$6.725M exists.

<i>Dept</i>	<i>Project Name</i>	<i>Project Description</i>	<i>Status</i>	<i>Total Project Cost for Completion</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Impact of Recommendation</i>
Zoo	Zoo Vision Plan (Phase I)	Development of an architectural schematic design for Phase I of the Zoo's Vision Plan that will include redevelopment of the Zoo entryway and Sea Life Cliffs exhibit area along with reconfiguration of parking flow for local community and zoo patrons.	Not Started	\$ 222,600,000	\$ 3,500,000	\$ 3,500,000	Overall project delays expected and uncertain whether this will result in a permanent loss of \$2.5M in matching funds from GLAZA for Phase I schematic design.
DCA	Warner Grand Theater	For pre-construction activities and construction to address ADA accessibility, code upgrades and other improvements	Design	\$ 5,780,227	\$ 3,780,227	\$ 3,780,227	The project currently requires \$2M for pre-construction activities (design, pre-design, and bid and award). Phase 1 construction is scheduled to initiate in January 2022.
BOE/ELP	Pico House	For a feasibility study for the proposed capital improvements at the historic Pico House at El Pueblo.	Not Started	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	No work has initiated. Preliminary discussion of developing a Master Plan.
BOE	Solar Energy Installation Municipal Facilities	Funding is provided to include solar energy installations at four existing Municipal Facilities buildings that include: Vision Theatre, Evergreen Recreation Center, Devonshire Community Police Station, and Topanga Community Police Station.	Pre-Design/Outreach	\$ 10,000,000	\$ 3,000,000	\$ 3,000,000	Vision Theatre is in construction with an estimated completion date of April 2021. Evergreen, Topanga, and Devonshire are in pre-design phase and will not begin until 2021-22. There was a prior reduction in cash flow of \$5M for other critical projects that were ready to start.
BOE	City Hall East Electrical System Upgrades and P4 Improvement	Phase I for ITA's server room on P-4 upgrade and expansion is mostly complete. Funding is provided for Phase II which includes the installation of necessary HVAC and cooling equipment and related ductwork to provide redundancies for power supply and air conditioning, ensuring the uninterrupted operation of the Server Room.	Not Started	\$ 1,650,000	\$ 2,431,305	\$ 2,431,305	A deferral could impact the function of the server room if the primary systems go down.
BOE	Civic Center Master Plan Development	Funds totaling \$32.3M were provided through 2019-20 to complete the demolition of the old Parker Center Building and explore a P3 for Phase A, the Los Angeles Street Civic Building Project.	Environmental	\$ 32,300,000	\$ 3,500,000	\$ 3,500,000	Total project costs are still being developed for the 753,000 square foot building anticipated that will replace the old Parker Center building and house relocated City employees from the downtown Civic Center area. The \$3.5M in MICLA authority are not needed to complete the RFI work or to explore other financing or development options for the CCMP.

Subtotal: Projects with costs that can be deferred to future years \$ 23,856,993

Total 2020-21 Savings: \$ 25,225,155

ATTACHMENT 5: IMPACTS OF PROPOSED MICLA EQUIPMENT PROJECT REDUCTIONS

<i>Dept</i>	<i>BY</i>	<i>Equipment Name</i>	<i>Total Budget</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Impact of Recommendation</i>
Projects with balances of funds no longer needed:						
BSS	2020	BSS Sidewalk Vending Program Vehicles	\$ 450,000.00	\$ 948.58	\$ 948.58	This project has been completed. The unencumbered amount is the remaining balance after the completion of the project.
GSD	2020	GSD Fleet Shop Equipment Replacement	519,286.00	61,041.00	61,041.00	Deferring the project will increase the vehicle Out of Service Rate (OSR). Repair costs for the vehicles will also increase due to the age of the vehicles as they require more maintenance and repairs.
GSD	2018	GSD Fleet Replacement	37,000,000.00	148,066.46	148,066.46	This project has been completed. The unencumbered amount is the remaining balance after the completion of the project.
Police	2018	Police Helicopter Replacement	4,653,320.00	104,942.50	104,942.50	This project has been completed. The unencumbered amount is the remaining balance after the completion of the project.
GSD	2017	GSD Fleet Replacement	35,568,000.00	41,324.91	41,324.91	This project has been completed. The unencumbered amount is the remaining balance after the completion of the project.
GSD	2016	GSD Fleet Replacement	35,770,000.00	55,221.56	55,221.56	This project has been completed. The unencumbered amount is the remaining balance after the completion of the project.
		Subtotal: Projects with balances of funds no longer needed			\$ 411,545.01	

<i>Dept</i>	<i>BY</i>	<i>Equipment Name</i>	<i>Total Budget</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Impact of Recommendation</i>
Projects with costs that can be deferred to future years:						
ASD	2021	ASD - Animal Canvassing Vehicles	153,600.00	153,600.00	153,600.00	The Department obtained four vehicles under Rule 11 from GSD in 2019-20 and canvassing duties are temporarily suspended during the pandemic--these employees don't currently need vehicles. The Department hopes to resume canvassing activities in November but has not yet confirmed whether this will happen. Failure to provide the Department with sufficient vehicles to transport canvassers may result in decreased efficiency and decreased revenues.
BSL	2021	BSL Electric Vehicle Charging Stations	1,200,000.00	1,200,000.00	1,200,000.00	Eliminates the installation of new electric vehicle charging stations on street lighting poles during 2020-21. 432 EV stations that currently exist will be maintained. The Bureau has no other eligible funds that can be used for this purpose, thus they would not be able to purchase any additional EV charging stations.
DOT	2021	LADOT Mobile Command Vehicle	600,000.00	600,000.00	600,000.00	Elimination of this will reduce the ability of DOT to improve effectiveness in the response to a major emergency. Current procedures and the current level of effectiveness can be expected to remain. If an appropriation is provided in the 2021-22 Budget, the delay in implementation is estimated at approximately six months.
DOT	2021	Traffic Signal Safety Project	15,000,000.00	15,000,000.00	15,000,000.00	Various traffic signal safety projects that may have been planned for 2020-21 and beyond will be cancelled or deferred until other funding becomes available. There is still \$22.9 million in authority remaining for Vision Zero Traffic Signals funded from SB1 and Measure M. DOT may have signal designs ready for bid during 2020-21. If an appropriation is provided in the 2021-22 Budget, the delay in implementation is estimated between three to six months.
GSD	2021	GSD Fleet Replacement	15,000,000.00	15,000,000.00	15,000,000.00	Deferring the project will increase the vehicle Out of Service Rate (OSR). Repair costs for the vehicles will also increase due to the age of the vehicles as they require more maintenance and repairs.
Police	2021	Police Non-Black & White Vehicles	1,964,479.00	1,964,479.00	1,964,479.00	Deferring the project will increase the vehicle Out of Service Rate (OSR) from the current rate of 8% to a projected 15%. Repair costs for the vehicles will also increase due to the age of the vehicles as they require more maintenance and repairs.

<i>Dept</i>	<i>BY</i>	<i>Equipment Name</i>	<i>Total Budget</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Impact of Recommendation</i>
BSL	2020	BSL Electric Vehicle Charging Stations	1,200,000.00	486,418.97	486,418.97	Eliminates the installation of new electric vehicle charging stations on street lighting poles during 2020-21. 432 EV stations that currently exist will be maintained. The Bureau has no other eligible funds that can be used for this purpose, thus they would not be able to purchase any additional EV charging stations.
BSL	2020	BSL Fleet Replacement	1,610,000.00	1,610,000.00	1,610,000.00	Eliminates fleet replacement for 2020-21 for BSL.
DOT	2020	Traffic Signal Safety Project	15,000,000.00	15,000,000.00	15,000,000.00	Various traffic signal safety projects that may have been planned for 2020-21 and beyond will be cancelled or deferred until other funding becomes available. There is still \$22.9M in authority remaining for Vision Zero Traffic Signals funded from SB1 and Measure M. DOT may have signal designs ready for bid during 2020-21. If an appropriation is provided in the 2021-22 Budget, the delay in implementation is estimated between three to six months.
GSD	2020	GSD Fleet Replacement	10,000,000.00	10,000,000.00	10,000,000.00	Deferring the project will increase the vehicle Out of Service Rate (OSR). Repair costs for the vehicles will also increase due to the age of the vehicles as they require more maintenance and repairs.
GSD	2020	GSD Materials Testing	367,500.00	367,500.00	367,500.00	Department will be unable to replace aged materials testing equipment used to support the Pavement Preservation Program, Quality Assurance Program, and Administrative Code mandated testing services.
GSD	2020	Yards and Shops Equipment	320,000.00	20,481.00	20,481.00	Department will be unable to replace aged capital equipment required for the operation of maintenance yards and shops facilities.
Police	2020	Police Non-Black & White Vehicles	1,415,000.00	202,233.37	202,233.37	Deferring the project will increase the vehicle Out of Service Rate (OSR) from the current rate of 8% to a projected 15%. Repair costs for the vehicles will also increase due to the age of the vehicles as they require more maintenance and repairs.
RAP	2020	RAP Homeless Encampment Cleanup	390,000.00	390,000.00	390,000.00	The Department will not have an additional Bulky Item Clean Up crew available.
RAP	2020	RAP HVAC Assessment Vehicles	360,000.00	360,000.00	360,000.00	The Department will not be able to provide additional HVAC system assessments.
RAP	2020	RAP Tree Maintenance Vehicles	504,000.00	315,596.92	315,596.92	The Department will not be able to provide additional tree trimming services.

<i>Dept</i>	<i>BY</i>	<i>Equipment Name</i>	<i>Total Budget</i>	<i>Budgeted Funds Remaining</i>	<i>Proposed Reduction</i>	<i>Impact of Recommendation</i>
BSL	2019	BSL Fleet Replacement	5,098,000.00	2,494,582.08	2,494,582.08	Eliminates half the fleet replacement for 2019-20 for BSL
DOT	2019	LADOT Bus Purchase Front-Funding	25,000,000.00	25,000,000.00	25,000,000.00	There are no immediate plans to use these funds. DOT is opting to use existing reserves in Prop A for bus purchases instead. This will reduce Prop A reserves and will require subsequent action in future years.
GSD	2019	GSD Fleet Replacement	37,000,000.00	23,253,031.02	23,253,031.02	Deferring the project will increase the vehicle Out of Service Rate (OSR). Repair costs for the vehicles will also increase due to the age of the vehicles as they require more maintenance and repairs.
Police	2019	Police Non-Black & White Vehicles	1,000,000.00	29,703.64	29,703.64	Deferring the project will increase the vehicle Out of Service Rate (OSR) from the current rate of 8% to a projected 15%. Repair costs for the vehicles will also increase due to the age of the vehicles as they require more maintenance and repairs.
BSAN	2018	Clean Streets Vehicles	16,657,000.00	647,224.63	500,000.00	A majority of the project has been purchased. \$147K is being retained as contingency for purchase order changes.
DOT	2018	Traffic Signal Safety Project	6,750,000.00	1,464,423.70	1,464,423.70	Various traffic signal safety projects that may have been planned for 2020-21 and beyond will be cancelled or deferred until other funding becomes available. There is still \$22.9M in authority remaining for Vision Zero Traffic Signals funded from SB1 and Measure M. DOT may have signal designs ready for bid during 2020-21. If an appropriation is provided in the 2021-22 Budget, the delay in implementation is estimated between three to six months.
Police	2018	Police Non-Black & White Vehicles	2,805,653.00	2,771.90	2,771.90	Deferring the project will increase the vehicle Out of Service Rate (OSR) from the current rate of 8% to a projected 15%. Repair costs for the vehicles will also increase due to the age of the vehicles as they require more maintenance and repairs.
BSS	2017	BSS Equipment & Vehicles	1,887,736.64	650,300.43	650,300.43	Eliminates further fleet replacement for BSS for 2020-21. Reduces overall fleet replacement funded in 2016-17 by 34 percent.
Subtotal: Projects with costs that can be deferred to future years					\$ 116,065,122.03	
Total 2020-21 Savings:					\$ 116,476,667.04	

ATTACHMENT 6

General Fund Receipts Through October Thousand Dollars

	2020-21 Budget	Plan Through October	Receipts Through October	Receipts as Percent of Budget	Variance of Receipts from Plan	Comments
Property Tax	\$2,297,080	\$94,158	\$84,627	3.7%	(\$9,531)	This current tax year shortfall is due to secured and unsecured receipts and will not be recovered. The total secured shortfall for the prior tax period (Dec 2019 thru Aug 2020) was \$28.2m, which the County has attributed to an increase in delinquencies. Current year receipts may be similarly impacted.
Property Tax Ex-CRA Inc.	95,900	-	-	0.0%	-	The June 2020 remittance was \$10.9 million short of the April estimate provided by the County. Assuming this shortfall may be due to increased delinquencies, there is downside risk to current year receipts.
Utility Users' Tax	614,620	221,100	215,434	35.1%	(5,666)	The current shortfall is primarily attributed to electricity users tax (EUT) remittances (\$5.4m). DWP reports that delinquent payments means these remittances that were based on estimates should have been lower, and that future EUT receipts will be reduced by \$9.3m to adjust for these over payments. Gas and communication users taxes are down \$183k and \$98k, respectively. It is too early to determine whether this is part of a larger trend.
Department receipts (LPFF and reimbursements)	1,335,289	255,864	229,367	17.2%	(26,497)	Department receipts are \$12.6m below plan. There are downside risks to reimbursement due to lower related cost reimbursements, ambulance billings, and other pandemic related impacts, as well as reduced MTA reimbursements due to both lower service levels and a billing dispute.
CARES Act	-	-	125,000		125,000	This pass-through grant money was not assumed in the adopted revenue budget.
Business Tax	686,540	95,798	75,683	11.0%	(20,115)	The budget originally assume \$47m in delayed receipts, which came in as planned during FY20 and will not be recovered. There is significant downside risk to non-cannabis receipts for the next tax renewal period, as estimated by Finance in April 2020.
Sales Tax	557,055	181,875	182,611	32.8%	736	The City has recovered deferred sales tax revenue from 2020Q1. Additionally, the State adjusted its methodology to accelerate allocations to local jurisdictions without which, the shortfall-to-date would be higher. The November remittance, not reflected here, is \$8.1m below plan. There is significant downside risk to year-end receipts based on the City's sales tax consultant projections.
Documentary Transfer Tax	215,835	69,850	66,561	30.8%	(3,289)	Receipts have been recovering, with totals through October at 81% of last year's level. The budget assumed flat sales and minimal price appreciation. The downside risk increases if both fall below these estimates.
Power Revenue Transfer	224,100	-	-	0.0%	-	After the adoption of the budget, the DWP board approved a lower transfer estimate of \$217.8 million equating to a \$6.3 million year-end shortfall.
Transient Occupancy Tax	244,860	49,378	32,429	13.2%	(16,949)	This current shortfall will not be recovered and will increase with next month's tax collection. Receipts-to-date are at 28% of last year's level. There are significant downside risks based on industry projections for a long recovery for the hotel sector. While short-term rental receipts are closer to plan, receipts may be at risk with increasing enforcement of short-term rental restrictions.
Parking Fines	140,477	50,667	20,752	14.8%	(29,915)	This current shortfall will not be recovered. The monthly loss may improve before the end of the calendar year with the end of relaxed parking enforcement. Receipts-to-date are at 47% of last year's level.
Parking Occupancy Tax	102,000	24,390	16,806	16.5%	(7,584)	Monthly receipts are variable. Shortfall is predicted for next month's tax collection. Receipts-to-date are at 45% of last year's level.
Franchise Income	81,226	19,359	18,762	23.1%	(597)	Shortfall attributed to lower receipts in natural gas, solid waste collection and official police garage (OPG) franchises. The monthly loss in OPG franchise may improve with the end of relaxed parking enforcement, but there is downside risk to all franchise receipts.
State Motor Vehicle License Fees	3,198	-	-	0.0%	-	
Grant Receipts	12,521	2,565	2,890	23.1%	325	The majority of grant receipts are recorded in the final quarter of the fiscal year.
Tobacco Settlement	10,615	0	0	0.0%	-	
Residential Development Tax	3,693	1,053	1,272	34.4%	219	Permit activity continues to exceed downward adjusted receipts.
Special Parking Revenue Transfer	27,721	-	-	0.0%	-	Significant downside risk as decline in parking revenues are likely to mirror decline in parking occupancy tax which may eliminate surplus funds for transfer.
Subtotal General Fund	\$6,652,729	\$1,066,057	\$1,072,194	16.1%	\$6,137	
Interest Income	34,613	19,604	8,192	23.7%	(11,412)	Surpluses will be owed to special funds. Downside risk to interest income as estimated by Finance.
Total General Fund Excluding CARES Act Receipts	\$6,687,342	\$1,085,661	\$1,080,386	16.2%	(\$5,275)	
			\$ 955,386	14.3%	\$ (130,275)	

**ATTACHMENT 7
STATUS OF RESERVE FUND AS OF 11/30/2020**

Council File No.	Item Description	Amount
Balance Available, 7/1/2020		\$ 262,541,154.46
Less: Emergency Reserve Account		<u>\$ 183,902,000.00</u>
Contingency Reserve Account 7/1/2020		\$ 78,639,154.46
General Fund Appropriation to the Reserve Fund		-
Loan Repayment and Other Receipts		<u>12,510,715.43</u>
Contingency Reserve Account		<u>\$ 91,149,869.89</u>
Loans and Transfers Approved to Date		
20-0600	Victory LA	(12,000,000.00)
CAO Memo	Los Angeles Convention and Tourism Board	(3,182,711.89)
	Building and Safety Enterprise Fund Loan Interest Payment	
20-0600-S82	(C.F. 20-0501/C.F. 20-0530)	(20,791.22)
20-0600-S82	COVID-19 Federal Relief Fund Expense Reimbursement	20,791.22
CAO Memo	Los Angeles Convention and Tourism Board	(366,933.97)
20-0147-S38		
20-1450	COVID-19 Federal Relief Fund Expense Reimbursement	74,000,000.00
20-0862	Senior Meals Emergency Response Program Loan	(8,636,901.00)
Loans and Transfers Approved to Date Subtotal		\$ 49,813,453.14
Proposed Loans and Transfers		
2nd FSR	Water and Electricity Early Reversion	970,569.00
Proposed Loans and Transfers Subtotal		\$ 50,784,022.14
Contingency Reserve Available Balance as of 11/30/20		<u><u>\$ 141,933,892.03</u></u>
Total Emergency and Contingency Reserve Fund		<u><u>\$ 325,835,892.03</u></u>

ATTACHMENT 8
FY 2020-21 BUDGET ADJUSTMENTS
NEW APPROPRIATIONS

		TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT	
Information Technology Agency Communication Services to Special Funded Departments	<u>Fund 100/32, Information Technology Agency</u>		<u>Fund 100/32, Information Technology Agency</u>		
	RSC 5301, Reimbursements from Other Funds	\$115,271.55	009350, Communications Services	\$115,271.55	
TOTAL ALL DEPARTMENTS AND FUNDS		\$ 115,271.55		\$ 115,271.55	

ATTACHMENT 9

FY 2020-21 BUDGET ADJUSTMENTS TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Council	<u>Fund 100/28, Council</u>		<u>Fund 100/28, Council</u>	
Operational Needs	001010, Salaries General	\$ 1,600,000.00	001070, Salaries, As-Needed	\$ 1,000,000.00
			002120, Printing and Binding	\$ 100,000.00
			006010, Office and Administrative	\$ 500,000.00
			Subtotal	\$ 1,600,000.00
	<u>Fund 100/54, Capital Improvement Expenditure Program</u>		<u>Fund 100/54, Capital Improvement Expenditure Program</u>	
Funding Consolidation	00K046, City Facilities, Maintenance & Improvements	\$ 3,980,098.00	TBD, City Facilities, Maintenance & Improvements	\$ 3,980,098.00
Public Works-Engineering	<u>Fund 100/78, Bureau of Engineering (Fund 761/50)</u>		<u>Fund 100/78, Bureau of Engineering (Fund 761/50)</u>	
As-Needed Salaries	001010, Salaries General	\$ 200,000.00	001070, Salaries, As-Needed	\$ 200,000.00
Human Resources Benefits Fund	<u>Fund 100/61, Human Resources Benefits Fund</u>		<u>Fund 100/61, Human Resources Benefits Fund</u>	
Unemployment Insurance	009200, Civilian FLEX Program	\$ 2,900,000.00	009100, Unemployment Insurance	\$ 2,900,000.00
TOTAL ALL DEPARTMENTS AND FUNDS		\$ 8,680,098.00		\$ 8,680,098.00

ATTACHMENT 10

FY 2020-21 BUDGET ADJUSTMENTS TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

TRANSFER FROM		TRANSFER TO	
REQUESTING DEPARTMENT	FUND/ACCOUNT	FUND/ACCOUNT	AMOUNT
Council Council District 14	<u>Fund 47S/14, Central Los Angeles Recycling Station Fund</u> 143040, Contractual Services	<u>Fund 100/86, Bureau of Street Services</u> 003040, Contractual Services	\$ 90,000.00
Mayor DART Service Provider Contracts	<u>Fund 100/46, Mayor</u> 003040, Contractual Services	<u>Fund 100/56, General City Purposes</u> 000829, Domestic Abuse Response Teams	\$ 111,962.84
TOTAL ALL DEPARTMENTS AND FUNDS			\$ 201,962.84

ATTACHMENT 11

FY 2020-21 BUDGET ADJUSTMENTS APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE

APPROPRIATE FROM:	APPROPRIATE TO:	AMOUNT
<u>Fund, 100/58, Unappropriated Balance</u>		
580314, Zoo and El Pueblo Revenue Shortfalls	<u>Fund 737/33, El Pueblo de Los Angeles Histor. Mon. Rev. Fund</u> RSC 5691, Addl Interfund Trans - General Fund	\$ 858.00
580196, Reserve for Mid-Year Adjustments	<u>Fund 737/33, El Pueblo de Los Angeles Histor. Mon. Rev. Fund</u> RSC 5691, Addl Interfund Trans - General Fund	\$ 849,142.00
	Subtotal	\$ 850,000.00
580314, Zoo and El Pueblo Revenue Shortfalls	<u>Fund 40E/87, Zoo Enterprise Trust Fund</u> RSC 5691, Addl Interfund Trans - General Fund	\$ 3,410,841.00
580132, Equipment, Expenses, and Alterations & Improvements	<u>Fund 100/28, Council</u> 001070, Salaries, As-Needed	\$ 1,763,293.00
	<u>Fund 100/40, General Services</u> 001014, Salaries, Construction Projects	\$ 200,000.00
	003040, Contractual Services	\$ 110,000.00
	003180, Construction Materials	\$ 300,000.00
	<u>Fund 100/54, Capital Improvement Expenditure Program</u> 00K046, City Facilities, Maintenance & Improvements	\$ 790,000.00
	Subtotal	\$ 3,163,293.00
580132, Equipment, Expenses, and Alterations & Improvements	<u>Fund 100/46, Mayor</u> 001010, Salaries General	\$ 1,881,432.00
580304, Ground Emergency Medical Transport QAF Program	<u>Fund 100/38, Fire</u> 003040, Contractual Services	\$ 6,700,000.00
580196, Reserve for Mid-Year Adjustments	<u>Fund 100/06, Animal Services</u> 003040, Contractual Services	\$ 230,000.00
TOTAL APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE		\$ 16,235,566.00

ATTACHMENT 12A
STATUS OF UNAPPROPRIATED BALANCE
GENERAL ACCOUNT as of 10/15/20

C.F.	Appropriations	Date	Amount
20-0600	General		\$ 50,000
	Approved Transfer		
20-1247	Ovarian Cancer Awareness Month		(120.00)
20-1320	Peace in Armenia and Artsakh		(120.00)
Balance Available			<u><u>49,760.00</u></u>
	Anticipated Appropriations		
20-1530	Music Center's Grand Park New Year's Eve		(1,418.00)
Projected Balance Available			<u><u>\$ 48,342.00</u></u>

ATTACHMENT 12B
Status of the Unappropriated Balance, Reserve for Mid-Year Adjustments

2020-21 Budget **\$ 30,060,000.00**

Interim Transfers

Transfer In:

Transfer From Police - Various accounts	\$ 319,167.00
Transfer from Personnel - Various accounts	681,225.00
Transfer from General City Purposes - Medicare and Pensions Savings Plan	566,989.00
Transfer from Human Resources Benefit - Civilian FLEX and Police Health and Welfare	2,659,630.00
Transfer from Tax and Revenue Anticipation Notes	53,989.00
Subtotal	<u>4,281,000.00</u>

Transfer Out:

Transfer to Public Works - Contractual Services	(433,000.00)
Transfer to General City Purposes - Various accounts	(10,420.00)
Subtotal	<u>(443,420.00)</u>

Year-end Available **\$ 33,897,580.00**

First FSR Recommendations

Transfer In:

Transfer from City Clerk - Elections Expense	6,057,739.00
Transfer from Neighborhood Empowerment Fund	81,000.00
Transfer from Unappropriated Balance - General Municipal Elections 2020	693,025.00
Transfer from Capital Improvement Expenditure Program - Various accounts	2,029,516.40
Transfer from Sidewalk Repair Fund	1,800,000.00
Subtotal	<u>\$ 10,661,280.40</u>

Subtotal First FSR Recommendations **10,661,280.40**

Year-end Available **\$ 44,558,860.40**

Interim Transfers

Transfer Out:

Transfer to Aging - Contractual Services	(67,032.00)
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Year-end Available **\$ 44,491,828.40**

Second FSR Recommendations

Transfer Out:

Transfer to El Pueblo - Cash Balance	(849,142.00)
Transfer to Animal Services - Contractual Services	(230,000.00)
Subtotal	<u>\$ (1,079,142.00)</u>

Subtotal Second FSR Recommendations **(1,079,142.00)**

Year-end Available **\$ 43,412,686.40**

ATTACHMENT 12C
STATUS OF UNAPPROPRIATED BALANCE NON-GENERAL ACCOUNT as of 10/15/2020

Account No.	UB Non-General Accounts	Primary Department	Budget	Transfer In/ Reapprop.	CLA Report 20-0600	Appropriated during year	First FSR	Appropriated during year	Second FSR	Appropriated during year	Mid-Year FSR	Appropriated during year	Year-End FSR	Available Balance
	General Fund													
580001	General (see Attachment 4A)	All	\$ 50,000					(240.00)						\$ 49,760.00
580132	Equipment, Expense, and Alterations & Improv.	All	5,044,725						(5,044,725.00)					\$ -
580160	Off-site Council and Committee Meetings	Council		45,307										\$ 45,307.44
580168	Office of Public Accountability Studies	OPA	750,000											\$ 750,000.00
580196	Reserve for Mid-Year Adjustments	All	30,060,000		3,848,000	(10,420)	10,661,280.40	(67,032.00)	(1,079,142.00)					\$ 43,412,686.40
580197	Outside Counsel including Workers' Comp	City Atty	1,500,000			(1,500,000)								\$ -
580225	Commission on Revenue	CAO		90,417.00										\$ 90,417.00
580230	Reserve for Unrealized Revenue	All	-		5,719,000									\$ 5,719,000.00
	Repayment of Community Development Block Grant													
580259	Projects	HCID	2,344,546											\$ 2,344,546.00
580271	Climate Change Emergency Mobilization Program	CLA/Council		500,000										\$ 500,000.00
580274	Mutual Aid Overtime	Fire	3,000,000			(3,000,000)								\$ -
580286	Tax Studies	CAO	-	80,000.00										\$ 80,000.00
580290	Fire Standards of Cover Analysis	Fire	-	200,000			(200,000.00)							\$ -
580304	Ground Emergency Medical Transport QAF Program	Fire	6,700,000						(6,700,000.00)					\$ -
580310	General Municipal Elections 2020	City Clerk	13,000,000		(9,000,000)	(295,000)	(693,025.00)	(511,000.00)						\$ 2,500,975.00
580311	Land Mobile Radio Site Infrastructure Upgrades	LAPD/GSD	3,022,610											\$ 3,022,610.00
580312	Personnel Related Cybersecurity Measures	Personnel	300,000											\$ 300,000.00
580313	Police Department Sworn Overtime - Cash Payout	Police	5,000,000				(5,000,000.00)							\$ -
580314	Zoo and El Pueblo Revenue Shortfalls	Zoo/El Pueblo	16,348,000	(5,676,650)	(546,000)		(5,377,142.00)		(3,411,699.00)					\$ 1,336,509.00
580315	Community Development Department	CAO	250,000											\$ 250,000.00
580316	Discovery Cube Los Angeles	PW Board	500,000											\$ 500,000.00
580317	Census 2020/Redistricting Commissions	All			2,000,000			(150,000.00)						\$ 1,850,000.00
	UB Reserve for Preservation of City Services, Reinvestment in Disadvantaged Communities and Communities of Color, Reimagining Public Safety Service Delivery, and Target Local Hire (TLH) Program	All				90,000,000		(1,195,474.00)						\$ 88,804,526.00
580319	UB Reduction of Furloughs	All				40,000,000								\$ 40,000,000.00
			\$ 87,869,881	\$ (4,760,926)	\$ 132,021,000	\$ (4,805,420)	\$ (608,887)	\$ (1,923,746)	\$ (16,235,566)	\$ -	\$ -	\$ -	\$ -	\$ 191,556,336.84
	Special Funds													
580238	Accessible Housing Program Retrofit Contracts	HCID	2,000,000					(228,526)						1,771,474
			\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ (228,526)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,771,474
	Grand Total		\$ 89,869,881	\$ (4,760,926)	\$ 132,021,000	\$ (4,805,420)	\$ (608,887)	\$ (2,152,272)	\$ (16,235,566)	\$ -	\$ -	\$ -	\$ -	\$ 193,327,811.02

ATTACHMENT 13

STATUS OF LIABILITY CLAIMS ACCOUNTS

Department/Bureau	Account	Budget		Paid	Available Balance After Paid Amounts	Pending Payments	Available Balance Based After Paid and Pending Payments	Percent of Available Balance to Adjusted Budget ¹
		(A1)	(A2)	(B)	(C=A2+B)	(D)	(E=C+D)	
		2020-21 City Budget	2020-21 Adjusted Budget	Amount	Amount	Amount	Amount	
Fire	009790	\$ -	\$ -	\$ -	\$ -	\$ (190,000)	\$ (190,000)	0%
General Services	009791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Police	009792	\$ -	\$ 3,985,000	\$ (3,985,000)	\$ -	\$ (9,125,500)	\$ (9,125,500)	0%
PW/Engineering	009793	\$ -	\$ -	\$ -	\$ -	\$ (800,000)	\$ (800,000)	0%
PW/Sanitation	009794	\$ 7,370,072	\$ 7,370,072	\$ (826,377)	\$ 6,543,695	\$ (962,143)	\$ 5,581,552	76%
PW/Street Services	009795	\$ -	\$ 658,000	\$ (658,000)	\$ -	\$ (3,539,521)	\$ (3,539,521)	0%
Recreation & Parks	009796	\$ -	\$ 2,125,000	\$ (2,125,000)	\$ -	\$ (125,000)	\$ (125,000)	0%
Transportation	009797	\$ -	\$ 4,600,000	\$ (4,600,000)	\$ -	\$ (2,450,000)	\$ (2,450,000)	0%
Miscellaneous ²	009798	\$ 80,552,000	\$ 68,632,000	\$ (3,653,898)	\$ 64,978,102	\$ (18,607,678)	\$ 46,370,424	68%
TOTALS		\$ 87,922,072	\$ 87,370,072	\$ (15,848,275)	\$ 71,521,797	\$ (35,799,842)	\$ 35,721,955	41%

Note:

¹ Applies to PW/Sanitation and Miscellaneous Liability Accounts relative to the Adjusted Budget.

² The 2020-21 Adjusted Budget reflects a \$552,000 decrease in available funding in the Liability Claims Account. The appropriation was transferred to the Housing and Community Investment Department to oversee matters related to the *Independent Living Center* settlement (C.F. 20-1282).