

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

0100-00438-0032

Date: September 8, 2021

To: The City Council

From: Matthew W. Szabo, City Administrative Officer



Subject: **DISASTER ASSISTANCE TRUST FUND ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

### **Recommendation**

That the City Council note and file the Disaster Assistance Trust Fund Annual Financial Report for the fiscal year ended June 30, 2021.

### **Summary**

In accordance with Chapter 3, Division 8, Article 9.6, Section 8.72.1 (J) of the Los Angeles Administrative Code, the Office of the City Administrative Officer (CAO) prepared and submits herewith the required annual financial report regarding the Disaster Assistance Trust Fund (DATF) for the fiscal year ended June 30, 2021.

The DATF is administered by the CAO. All grant funds received for disaster relief public assistance and hazard mitigation assistance programs are deposited in the DATF. During Fiscal Year 2020-21, the CAO administered fifteen (15) active disaster recovery programs and one (1) hazard mitigation grant. Total revenues received during Fiscal Year 2020-21 amounted to \$37,147,584, including \$372,320 in interest earned on the fund balance.

Transfers and expenditures in the amount of \$30,937,116 were made for the purposes set forth in the grant programs during Fiscal Year 2020-21, including grant reimbursements received in prior fiscal years that were not previously transferred.

### **Fiscal Impact Statement**

There will be no impact on the General Fund or other City funds as a result of adoption of the recommendation of this report.

MWS:HS:03220006c

Attachments

**DISASTER ASSISTANCE TRUST FUND  
ANNUAL FINANCIAL REPORT TO THE CITY COUNCIL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**CITY OF LOS ANGELES**

**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**

**MATTHEW W. SZABO, CAO**

Patricia J. Huber, Executive Officer

Submitted by:

Melissa C. Krance  
Chief Administrative Analyst

Heather Smith  
Sr. Administrative Analyst II

The Office of the City Administrative Officer (CAO) is required to prepare and submit an annual report to the Los Angeles City Council on the results of operations of the Disaster Assistance Trust Fund (DATF), in accordance with the provisions of the Los Angeles Administrative Code (LAAC), Section 8.72.1 (J).

## **BACKGROUND**

In December 1990, the DATF was created by Ordinance No. 166519, adding Section 8.72.1 (J) to Article 9.6 of Chapter 3 of Division 8 of the LAAC to meet accounting requirements for federal and state disaster assistance programs. The DATF designated as “Fund 872” in the City’s Financial Management System is a Special Revenue Fund.

The primary enabling legislation for these disaster assistance programs are the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), Public Law (P.L.) 93-288 and the California Disaster Assistance Act (CDAA). Title 44, Code of Federal Regulations, Part 206 implements PL 93-288. California Code of Regulations, Title 19 implements the CDAA.

## **SUMMARY**

The CAO administered fifteen (15) active disaster recovery programs and one (1) hazard mitigation grants in Fiscal Year 2020-21, as follows:

### Disaster Recovery Programs:

- 2009 Station Fire;
- 2010 January Winter Storms;
- 2013 July Inyo Storms;
- January 2017 Storms;
- Late January 2017 Storms;
- California La Tuna Fire FMAG;
- Creek Fire- Los Angeles FMAG;
- Skirball Fire FMAG;
- Creek/Skirball Fire;
- Woolsey Fire;
- Mid-February 2019 Storms;
- Saddleridge Fire FMAG;
- Saddleridge Fire;
- Getty Fire FMAG; and
- COVID-19 Pandemic

### Hazard Mitigation Grants:

- Emergency Power- Fire Station No 046

The total aggregate amount of federal and state disaster assistance grants received during Fiscal Year 2020-21 is \$36,775,264 (Schedule 1). During Fiscal Year 2020-21 the DATF earned \$372,320 in interest on the fund balance (Schedule 2). This amount is included in the \$37,147,584 million total receipts from all sources.

During Fiscal Year 2020-21, transfers to City departments, proprietary departments, and the General Fund totaled \$30,937,116 (Schedules 3 - 4). These are reimbursements for emergency and facility repair costs incurred by departments and allowed by federal and state agencies. The DATF reimbursed a total amount of \$192,116 to the General Fund in Fiscal Year 2020-21 for the CAO's administrative costs. The balance of \$30,745,000 reimbursed the Reserve Fund. Transfers include receipts from prior years not transferred in those fiscal years due to timing differences between receipt of funds and collection of required documentation and interest earned on the fund balance.

For Federal events, the recovery of project costs are based on management cost rates established by FEMA. The State of California Office of Emergency Services (CalOES) applies a fixed administrative allowance of ten percent to the state share of approved PWs. The administrative allowance is intended to help with the costs of requesting, obtaining and administering federal and state disaster assistance grants. Typical items that fall under the category of administrative allowance include costs for audits, consultants, bookkeepers, grant administrators, legal services and executive management. The DATF received \$33,486 in federal and state administrative allowances in Fiscal Year 2020-21. This amount is included in the \$37,147,584 million total receipts from all sources.

The schedules on the following pages provide the summary and detail of receipts and transfers in the DATF during the fiscal year, presented in the following order:

Schedule 1	Grant Receipts
Schedule 2	Detail of Interest Received
Schedule 3	Transfers to Departments/Expenditures
Schedule 4	Percentages of Transfers by Department or Fund
Schedule 4	Percentages of Transfers by Disaster Event

## SCHEDULE NO. 1

## 2020-21 GRANT RECEIPTS

Disaster assistance grant funds received from the Federal Emergency Management Agency(FEMA)  
for the following events:

Late January 2017 Storms	\$ 66,698
Woolsey Fire	2,974,443
Coronavirus Disease 2019	30,784,035
Saddleridge Fire FMAG	2,652,197
<i>Total FEMA grant funds received</i>	<u><u>\$ 36,477,373</u></u>

Disaster assistance grant funds received from the State of California for the following events:

Late January 2017 Storms	\$ 20,795
Woolsey Fire	277,096
<i>Total State grant funds received</i>	<u><u>\$ 297,891</u></u>

Summary:

Total Grant Funds Received from FEMA	\$ 36,477,373
Total Grant Funds Received from the State of California	297,891
Total Federal and State Grant Funds Received	<u>36,775,264</u>
Add: Interest earned on DATF Balance	372,320
<b>Total Receipts from all Sources</b>	<u><u>\$ 37,147,584</u></u>

Amounts rounded to the nearest dollar

**SCHEDULE NO. 2****2020-21 DETAIL OF INTEREST RECEIVED**

<b><u>Period</u></b>	<b><u>Amount Received</u></b>
July 2020	\$ 15,968.53
August 2020	25,493.86
September 2020	18,648.74
October 2020	3,811.73
November 2020	35,692.62
December 2020	19,369.03
January 2021	19,602.36
February 2021	38,457.56
March 2021	67,451.77
April 2021	39,526.27
May 2021	21,938.28
June 2021	66,359.04
Total	<u>\$ 372,319.79</u>

2018-19 TRANSFERS TO DEPARTMENTS/EXPENDITURES

<u>Event</u>	<u>Department/Fund/Purpose</u>	<u>Amount Transferred</u>	<u>Total</u>
Administrative Allowances Allocation to the CAO	City Administrative Officer/ General Fund Reimbursement	\$ 192,116	\$ 192,116
Coronavirus Disease 2019	Non-Departmental- General/Reserve Fund	30,745,000	30,745,000
Total transfers		\$ 30,937,116	\$ 30,937,116

Amounts rounded to the nearest dollar

## SCHEDULE NO. 4

## 2019-20 PERCENTAGES OF TRANSFERS BY DEPARTMENT OR FUND

<u>Department or Fund</u>	<u>Amount Transferred</u>	<u>Percent of Total</u>
City Administrative Officer	\$ 192,116	0.62%
Non-Departmental-General / Reserve Fund	30,745,000	99.38%
Total	<u>\$ 30,937,116</u>	<u>100.00%</u>

## PERCENTAGES OF TRANSFERS BY DISASTER EVENT

<u>Disaster Event</u>	<u>Amount Transferred</u>	<u>Percent of Total</u>
Administrative Allowances	\$ 192,116	0.62%
Coronavirus Disease 2019	30,745,000	99.38%
Total	<u>\$ 30,937,116</u>	<u>100.00%</u>

Amounts rounded to the nearest dollar

## Sources:

Statement of Revenue and Expense June 30, 2021

Statement of Condition of Appropriation-Detail June 30, 2021

CAO Cash Receipts and Disbursements Ledger June 30, 2021