

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: June 20, 2025

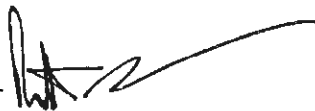
CAO File No. 0220-06331-0002

Council File No. 25-0666

Council District: All

To: City Council

From: Matthew W. Szabo, City Administrative Officer



Subject: **SECOND PRELIMINARY ESTIMATE OF CITY RESPONSE COSTS TO JUNE 2025 ICE-RELATED PROTESTS**

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### RECOMMENDATION

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

1. Authorize a loan of up to \$17,310,141 from the Reserve Fund by transferring up to \$17,310,141 from the Reserve Fund No. 101 through the Unappropriated Balance, Fund No. 100/58 and appropriate therefrom to the Los Angeles Police Department, Fund No. 100/70, Account No. 001092, Overtime Sworn, as a loan to LAPD to pay for cash sworn overtime through the end of the Fiscal year 2024-25;
2. Instruct the City Administrative Officer to present a repayment plan for this Reserve Fund loan in the amount of \$17,310,141, no later than 90 days from July 1, 2025 to ensure the Reserve Fund remains above the 5 percent of General Fund in 2025-26;
3. Authorize the City Administrative Officer to make technical corrections as necessary to implement the above instructions.

### DISCUSSION

Beginning June 6, 2025, the City began experiencing recurring protests associated with the Federal Immigration and Customs Enforcement (ICE) actions in the greater Los Angeles region. On June 10, 2025, the Mayor proclaimed a Local Emergency and enacted a curfew in the Downtown Los Angeles area, which was lifted effective June 17, 2025.

The purpose of this report is to provide updated cost information on the event including the impact on the Los Angeles Police Department's (LAPD) sworn overtime account. As previously reported, LAPD had identified a need for supplemental funding in their sworn overtime account as the overtime incurred for both regular operations as well as that incurred by this event exceeded available funds. In order to meet immediate payroll needs for the pay period ending June 14, 2025, Council provided \$5 million via a Rule 23 Motion on June 18, 2025. In this report we are addressing the funding needed to ensure that LAPD overtime for the remainder of the fiscal year is covered to avoid any need to bank time.

While this event is not a reimbursable event from state or federal sources, this Office did direct departments to report their costs in a fashion similar to reimbursable events. Therefore, the

amounts previously reported for LAPD only included the amounts associated with the direct response to the protests and not any costs for the citywide tactical alert. This appears to be a function of the process this Office used, which is the same one that we use for reimbursable events and is focused on collecting the preliminary estimates for reporting to our state and federal partners. As this process is focused on reimbursable expenditures, and expenses associated with a citywide tactical alert are not reimbursable, LAPD understandably did not include those sworn overtime costs in their original submission. The CAO is re-evaluating its cost instructions to Departments to ensure that in future similar situations, our instructions are clearer in these non-typical, non-reimbursable events.

However, the citywide tactical alert, wherein LAPD held over officers to ensure they had sufficient resources to respond to events beyond the protests, is a contributing factor to the shortfall in LAPD's sworn overtime account. Attachment 1 to this report now reflects the overall estimated costs of LAPD's response including the tactical alert through June 17, 2025. With the addition of this information, the total costs for protest related response is now slightly more than \$32 million.

In terms of LAPD's sworn overtime needs, Attachment 2 provides LAPD's estimate of funding needs 2025 through the end of the fiscal year as of June 18, 2025. The total amount needed for this is \$22.3, of which \$5 million was provided by the Rule 23 motion on June 18, 2025. The remaining \$17.3 million is now needed and recommended for transfer from the Reserve Fund as a loan to close out the fiscal year. The \$17.3 million provides for the following:

- Base overtime typically incurred by the Department adjusted for the Juneteenth Holiday and FSLA mandated overtime that happens during the second pay period of the deployment period.
- 3 days of protest and tactical alert overtime
- Other payroll adjustments that are also typically associated with the second pay period that were not captured in the baseline overtime calculation.
- Two days of the current fiscal year that will be paid out in the new fiscal year

It should be noted that it is typical to have a pay period that spans two fiscal years. The standard accounting practice in these situations is that Department's encumber the amount from the current fiscal year to have available in the new fiscal year when actual payment occurs so that all expenditures are recorded against the appropriate fiscal year appropriations.

## **FISCAL IMPACT STATEMENT**

Approval of the recommendations in this report will reduce the Reserved Fund by \$17,310,141 and could leave the City under the 5 percent threshold we strive to maintain. To mitigate this, the CAO is directed to report back on the funds needed to restore the Reserve Fund to at or above the 5 percent required by the Charter.

## **FINANCIAL POLICIES STATEMENT**

Approval of the recommendations in this report comply with the City's Financial Policies in that to the extent the Reserve Fund loan reduces the Reserve Fund below the 5 percent policy minimum, the funds will be replenished by a future action.

*MWS:PJH:*

LAPD Estimated Overtime Needs through Fiscal Year End		
<b>Available Funding as of 5/31/2025 (end of PP 24)</b>	<b>26,774,496</b>	<b>Notes/Assumptions</b>
Baseline Overtime	(10,154,923)	Estimated based on average pay out PP01-13 (pre-Palisades)
Palisades Security	(2,676,185)	Code 11 (Natural Disaster) based on overtime entries in the Overtime Online System (OLOTS) through 6/14/2024
Protest-Related Incidents	(10,377,601)	Code 17 (SafeLA) Employees directly assigned to the Protest incident, based on overtime entries in the Overtime Online System (OLOTS) through 6/14/2024
Protest-Related MOU25 Overtime	(141,972)	MOU25 provisioned overtime based on AFDR estimates
Citywide Tactical Alert (From 6/07/25 through 6/14/25 or 8 days)	(7,568,721)	Code 48 (Tactical Alert) Employees held over due to a Citywide Tactical Alert, but not deployed to the above incident, issued for unusual occurrence, due to civil unrest late 6/6/2025 through 6/14/2025, based on overtime entries in the Overtime Online System (OLOTS) through 6/14/2024
<b>Estimated Shortfall for PP 25</b>	<b>(4,144,907)</b>	
<b>Estimated OT Costs Through End of Fiscal Year</b>		
Baseline Overtime	(11,094,923)	<b>Tactical Alert lifted 6/17/25 at 7:52 pm</b>
Funding for two days 6/29/2025 thru 6/30/2025 that will be part of PP 1 and paid in July 2025	(2,122,379)	Assumes same baseline amount from above, plus \$665K estimate for Juneteenth and FLSA-related payment of \$275K that typically occurs in 2nd pay period of deployment period 2 days based on \$10.154M above, inclusive of 4.5% COLA increase per MOU24 eff 6/29/2025
6/15/2025 (Sunday) Estimated Cost for Civil Unrest	(1,828,269)	Based on AFDR estimate as of 6/16/2025, assumes 4% allowance for potential additional OT not reflected in the AFDR (eg travel time, flag down, admin work)
Estimated Cost for Civil unrest from 6/16/2025 through 6/17/2025	(78,294)	Based on AFDR as of 6/18/2025, assumes 4% allowance for potential additional OT not reflected in the AFDR (eg travel time, flag down, admin work)
Citywide Tactical Alert (from 6/15/25 through 6/17/25 or 3 days)	(2,838,270)	Estimate based on end of Tactical alert end of day 6/17/2025
Payroll Adjustments	(203,098)	Allowance for payroll adjustments or MOU-mandated cash payouts (eg MOU25 buy downs; hourly rate adjustment; bonus adjustments) that typically occur only in 2nd pay period of deployment period
<b>Total Estimated Costs through 6/30/2025</b>	<b>(18,165,234)</b>	
<b>Estd. Shortfall as of 6/30/25 (Civil unrest is only until 6/17)</b>	<b>(22,310,141)</b>	
Less: proposed transfer per Special Motion dated 06/18/2025	5,000,000	for PP25
<b>Balance</b>	<b>(17,310,141)</b>	for PP26 through June 30, 2025

June 2025 Protests Preliminary Cost Estimate						
Department Name	Emergency Protective Measures	Debris/Graffiti Removal	Structural Damage	Equipment Damage	Total	
City Attorney	610	-	-	-	\$	610
City Tourism Department	48,586	-	-	-	\$	48,586
Disability	7,070	-	-	-	\$	7,070
GSD-Building Maintenance	-	-	537,000	-	\$	537,000
GSD-Construction Forces Division	-	-	56,000	-	\$	56,000
Information Technology Agency	14,100	-	-	-	\$	14,100
Department of Water and Power	20,000	-	5,000	-	\$	25,000
Los Angeles Fire Department	1,169,362	-	-	-	\$	1,169,362
Los Angeles Fire and Police Pensions	-	250	-	-	\$	250
Los Angeles Police Department	29,294,746	-	-	238,497	\$	29,533,243
Los Angeles Public Library	-	1,000	-	-	\$	1,000
Board of Public Works	-	85,713	-	-	\$	85,713
PW Bureau of Sanitation	2,363	-	-	-	\$	2,363
PW Bureau of Street Lighting	-	-	32,601	-	\$	32,601
PW Bureau of Street Services	72,776	300,434	150,000	-	\$	523,210
Recreation and Parks	1,000	5,000	-	-	\$	6,000
<b>Total</b>	<b>\$ 30,630,611</b>	<b>\$ 392,397</b>	<b>\$ 780,601</b>	<b>\$ 238,497</b>	<b>\$</b>	<b>32,042,107</b>