



County of Los Angeles
Sheriff's Department Headquarters
 4700 Ramona Boulevard
 Monterey Park, California 91754-2169



LEROY D. BACA, SHERIFF

June 26, 2009

The Honorable Board of Supervisors
 County of Los Angeles
 383 Kenneth Hahn Hall of Administration
 Los Angeles, California 90012

Dear Supervisors:

FISCAL YEAR 2009-10 ADOPTED BUDGET CURTAILMENTS

This letter is in response to the Fiscal Year 2009-10 Adopted Budget approved by your Board on June 22, 2009. The budget reflects an approximate 5 percent reduction in net County cost, which equates to a curtailment of \$56.6 million, excluding unfunded countywide employee benefits increases, for the Los Angeles County Sheriff's Department (Department) next fiscal year. In addition to the budget curtailment, a \$22.2 million reduction (2 percent) in Salary and Employee Benefits has been imposed. The curtailment, when viewed as a percentage of the Department's overall budget, appears minimal. However, the substantive impact of a \$78.8 million curtailment, when coupled with other funding shortages, is significant.

In addition to the \$78.8 million cut, the Department historically bears multiple structural funding shortfalls that impede the overall effectiveness of administrative processes, increase liability, and affect compliance with policy and procedures. Department operations are adversely impacted on a daily basis because shortfalls in net County cost funding for a number of programs must be covered in order to balance its budget prior to addressing any imposed curtailments.

Funding Shortfalls

• Peace Officer Standard Training Bonuses	\$ 48.3 million
• Military Leave overtime backfill	\$ 3.9 million
• Leaves of absence vacancy overtime (Includes Injury on Duty and Relieved of Duty)	\$ 24.0 million
• 300 unfunded sworn positions	\$ 41.1 million
• Unavoidable Services and Supplies increases	<u>\$ 12.8 million</u>
Total Funding Shortfalls	\$130.1 million

A Tradition of Service

The Department has historically managed the absorption of the \$130.1 million structural funding shortfall by not filling 300 budgeted deputy sheriff positions, holding vacant 800 or more civilian support positions, and curbing critical law enforcement purchases, including facility maintenance, maintenance of legacy systems, and advances in new technology. Additionally, the Department routinely identifies and implements several cost-saving efficiencies including water conservation, lighting fixtures, and air and heating upgrades to alleviate the pressure of funding shortfalls. The Department has requested full funding of the shortfall dollars outlined above each fiscal year.

As Sheriff of the most populous county in the nation, my most important concern regarding the Adopted Budget curtailments and unfunded costs is the Department's lack of ability to absorb further reductions, resulting in a substantial elimination of public safety services and essential programs.

Overtime Funding Shortfall

Much attention has been given to the Department's overtime expenditures. It is important to note that the Department's current fiscal year overtime budget of \$85 million is unrealistic and grossly underfunded. Due to Board-authorized restoration of custody operations and growth in patrol, the Department had over 1,200 deputy sheriff vacancies in Fiscal Year 2006-07. These restored services, which were critical in quelling jail violence and reducing the early release of inmates, were achieved through the expenditure of \$193 million in overtime as the Department worked diligently to fill vacancies. Now that the Department has fewer than 500 deputy sheriff vacancies, overtime has been reduced substantially by \$50 million to a projected total of \$143 million for the current fiscal year. The Department's projected overtime expenditure equates to 12 percent of the Department's salary and wages allocation, or 6 percent of the Department's gross budget.

The Department continues to diligently manage overtime expenditures without impacting programs, jeopardizing compliance with law enforcement mandates, maintaining inmate/personnel ratios, and preserving public safety standards. To further elaborate, approximately \$54 million of the Department's \$143 million projected overtime expenditure is reimbursed via State and Federal grants and Department contract services, resulting in no impact on net County cost. The overtime budget balance of \$31 million (\$85 million budgeted overtime less \$54 million overtime reimbursed by other entities) is woefully inadequate to fund other overtime mandates. Unlike most other County departments where absences and vacancies can be left unfilled without affecting service delivery, 24 hour front-line law enforcement absences must be backfilled with overtime. Overtime is also required for training, investigations, court appearances, unusual occurrences, and other required law enforcement activities.

2009-10 Curtailments

The Board-approved budget cuts of \$78.8 million, excluding unfunded Countywide employee benefits increases, is detailed as follows:

• Proposed Budget Phase Curtailment	\$ 31.6 million
• Adopted Budget Phase Curtailment	\$ 25.0 million
• Adopted Salaries and Employee Benefits Reduction	\$ <u>22.2 million</u>
Total 2009-10 Curtailments	\$ 78.8 million

The Proposed Budget curtailment of \$31.6 million deleted 51 positions, including 47 sworn, and impacted several administrative programs such as recruitment, pre-employment, training, risk management, and other administrative support staff.

Given that over 80 percent of the Department's gross budget is attributable to personnel costs, and nearly half of our net County cost is consumed by custody operations, the additional Adopted Budget cut of \$25 million will require the Department to close 1,600 jail beds at the Pitchess Detention Center North Facility and redeploy 187 sworn and custody assistant personnel throughout the Department to directly impact and drastically diminish overtime posts. This move will also lower inmate-related expenditures for food, drugs, and personal supplies.

Closing jail beds will severely reduce the amount of time served for County-sentenced inmates (17 to 22 percent of the jail population), which will reduce the availability of station trustees and thus impact station maintenance costs. A reduction in jail beds could potentially result in an increase in inmate violence and a resultant increase in the use of force. Additionally, the Department will explore adjusting the bail schedule for non-violent offenders in an attempt to further relieve jail overcrowding.

The \$22.2 million Adopted Budget reduction in Salaries and Employee Benefits has yet to be thoroughly addressed. Should the savings anticipated by the Chief Executive Office not materialize, additional Department curtailments may be unavoidable.

The Fiscal Year 2009-10 total curtailment of \$78.8 million, combined with funding shortfalls of \$130.1 million and inadequate funding for budgeted positions and overtime, will require the Department to make definitive program curtailments. In total, the Department must absorb a cumulative budget deficit of at least \$209 million.

Priority Program Issues

The inevitable impact of difficult economic times has already affected the Department, as Scientific Services Bureau has been unable to complete the Deoxyribonucleic Acid (DNA) testing of sexual assault cases. Also, the Department is providing additional security without an increase in funding at the new Los Angeles County/University of Southern California (LAC/USC) jail ward as part of the annual Joint Commission on

Accreditation of Healthcare Organizations inspection to provide proper jail ward and off-ward security. The Department anticipated that funding for the necessary 41 jail ward staff would be included in the 2009-10 budget. The Department's priority program issues are summarized as follows:

- | | |
|--|-----------------------|
| • Sexual Assault Kit Backlog Outsourcing | \$ 4.5 million |
| • Sexual Assault Kit Staffing | \$ 1.6 million |
| • General DNA Staffing | \$ 2.2 million |
| • LAC/USC Jail Ward Security | \$ <u>5.6 million</u> |

Total Priority Program Issues **\$13.9 million**

Conclusion


Based on the matters discussed above, we disagree with the general assumption that the Department can further absorb additional curtailments in administrative functions and not impact direct front-line law enforcement services. Absent some degree of funding relief, we will close the Pitchess Detention Center North Facility, effective July 1, 2009, to achieve the additional \$25 million curtailment. Further jail closures may be necessary to satisfy the additional \$22.2 million Salary and Employee Benefit budget reduction. The Department will continue to discuss these budget curtailments as well as efficiencies with the Chief Executive Office (CEO).

As a potential mitigation to the \$25 million curtailment, which will result in the closure of the North Facility, I am requesting that your Board utilize revenue from the unincorporated area Utility User Tax, which was passed by voters in November 2008. The Utility User Tax is intended to fund unincorporated expenditures, including law enforcement services, in the unincorporated areas of Los Angeles County. In 2007, the Department of Justice reported more than 383,000 felony and misdemeanor arrests in Los Angeles County, including over 36,000 arrests that were made exclusively in the unincorporated areas of the County, which accounts for more than 9 percent of the total arrests. The net County cost for custody operations is approximately \$550,000 million, and the cost to incarcerate unincorporated arrestees represents a significant portion of this budget.

Compounding the curtailments and structural funding shortfalls are issues of efficiency and accountability, which arise as a result of the continued freeze on hiring and the requirement to seek approval from the CEO to expend Board-approved funds that already reflect the curtailments. In short, your Board has approved a reduced budget and additionally requires the Department to seek the approval of the CEO to spend its Services and Supplies and Fixed Assets allocations. In conjunction with Attorney General Opinion No. 93-903 dated May 3, 1994, the Department must be allowed to internally manage and balance its budget to meet the net County cost target adopted by the Board, and to execute critical expenditures that promote law enforcement programs and services.

I look forward to our continued dialog as we all work together to weather the current economic challenges. I am confident we can come to a resolution that is fiscally responsible without compromising the safety of the communities which we serve. Should you have any questions or concerns, please do not hesitate to contact me.

Sincerely,



LERROY D. BACA
SHERIFF