COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE
AUDITOR-CONTROLLER

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS
JOHN NAIMO
JAMES L. SCHNEIDERMAN

December 20, 2012

TO: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe
Auditor-Controller

William T Fujioka
Chief Executive Officer

SUBJECT: **STATUS REPORT – EXTENSION REQUEST FOR FIRE PROTECTION DISTRICT BUDGET AND FINANCIAL POSITION REVIEW (Board Agenda Item 45, September 4, 2012)**

On September 4, 2012, your Board instructed the Auditor-Controller (A-C), with assistance from the Chief Executive Office (CEO), to review the Fire Protection District's (Fire or District) financial position as of the close of Fiscal Year (FY) 2011-12. Your Board also instructed the CEO to work with the Fire Chief to prepare longer-term estimates of the Department's revenue and major expenditures.

We are in the process of validating the District's reported sources of revenue and expenditures, and comparing Fire's budget to actual financial performance for FY 2011-12. In addition, we are reviewing charges paid by the District's contract cities and unincorporated areas for Fire services.

The CEO will report to your Board separately on projected changes in revenue and significant future expenditures that could materially impact the District's financial condition, and prepare long-term estimates to provide the Board clarity regarding the District's future challenges.

We and the CEO expect to complete our reviews, and report back to your Board no later than March 4, 2013. Please call me if you have any questions, or your staff may contact either Robert Campbell of the A-C at (213) 253-0101, or Georgia Mattera of the CEO at (213) 893-2374.

WLW:JLS:RGC

c: Daryl L. Osby, Fire Chief
Sachi A. Hamai, Executive Officer, Board of Supervisors
Audit Committee
Public Information Office