



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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WENDY L. WATANABE  
AUDITOR-CONTROLLER

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS  
JOHN NAIMO  
JAMES L. SCHNEIDERMAN  
JUDI E. THOMAS

October 4, 2011

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

52 October 4, 2011

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

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Dear Supervisors:

**REQUEST TO APPROVE THE FINAL  
BUDGET ADJUSTMENT FOR FISCAL YEAR 2010-2011  
ALL DISTRICTS  
(4-VOTES)**

**SUBJECT**

Approval of the recommended action will authorize closing of the financial records and establish ending available fund balances.

**IT IS RECOMMENDED THAT YOUR BOARD**

1. Approve the final budget adjustment for Fiscal Year (FY) 2010-2011.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the final budget adjustment will allow the Auditor-Controller to close the FY 2010-2011 financial records and prepare various required financial reports.

**JUSTIFICATION**

A final budget adjustment is necessary to cover various appropriation overdrafts and appropriate overrealized proceeds of taxes to comply with GANN initiative requirements.

### **Implementation of Strategic Plan Goals**

This action is consistent with the County's Strategic Plan Goal No. 1 of Operational Effectiveness.

### **FISCAL IMPACT/FINANCING**

This action adjusts the various budgets to reflect financial activity that has already taken place. Included in this action are adjustments to various reserves and designations as follows:

#### **Reserves for Long-Term Accounts Receivable**

The County's budgetary and accounting policies require that fund balance be reserved for accounts receivable that are not collectible within one year. During FY 2010-2011, the following programs had receivables which are not collectible during FY 2011-2012 and therefore require new or additional reserves:

##### *Department of Public Health Programs*

The Department of Public Health operates the Substance Abuse and Prevention Control Program (SAPC Program). During FY 2010-2011, the SAPC Program recognized additional receivables (\$1.148 million) which will not be collected from the State during FY 2011-2012. Therefore, the General Fund reserve for the SAPC Program has been increased by this amount and total SAPC Program reserves at the end of FY 2010-2011 were \$18.920 million.

##### *SB90 Programs*

The State will not reimburse the County for FY 2010-2011 SB90 revenues until FY 2012-2013. There has been an ongoing pattern with SB90 revenues whereby the County receives payment on a delayed basis. During FY 2010-2011, there was a net increase in long-term SB90 receivables which require additions to the General Fund SB 90 reserve of \$23.843 million. At the end of FY 2010-2011, the total reserves for SB90 accounts receivable were approximately \$144.838 million.

*Sheriff Local Assistance Program*

The Sheriff's Department invoices the State Department of Corrections and Rehabilitation for housing prisoners in County custody facilities. The State's budget crisis has resulted in significant delays in receiving the monthly reimbursements. As of June 30, 2011, the State owed the County \$66.578 million for these services, and failed to reimburse any of the services rendered during FY 2010-2011. Of the total amount owed to the County, \$34.866 million is not expected to be collected from the State during FY 2011-2012. Therefore, this action establishes a long-term Sheriff Local Assistance receivable in the amount of \$34.866 million. The reserve is being funded by available Fund Balance.

**Reserve for Utility Users' Taxes**

In conjunction with voter approval of County Measure U, your Board adopted a policy to ensure that utility users' taxes are dedicated to unincorporated area services. At the end of FY 2010-2011, approximately \$22.229 million of such tax revenues were recognized in the General Fund and the associated expenditures remained pending for programs in unincorporated areas. Accordingly, a Reserve for Utility Users' Taxes has been established to ensure that these funds are set aside and restricted in accordance with your Board's directive.

**Designation for Health Services Tobacco Settlement**

We annually place tobacco settlement funds in a General Fund Designation for Health Services (Tobacco Settlement) as directed by your Board. Accordingly, this action increases the designation account balance by \$95.806 million to reflect tobacco settlement funds received during Fiscal Year 2010-2011 (\$65.253 million), interest earnings on the funds (\$1.118 million), and unused funds that were previously allocated to Health Services, Public Health, and Capital Project budget units for tobacco programs (\$29.435 million).

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

This action is in accordance with Government Code Sections 29125 through 29130 and will allow the County to demonstrate legal compliance with the budget.

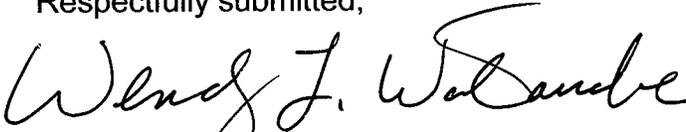
This action does not include the adjustments required for the Department of Health Services (DHS). DHS is submitting a separate letter that discusses final budgetary transactions required for DHS General Fund organizations and the Hospital Funds.

The Honorable Board of Supervisors  
October 4, 2011  
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**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

None.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Wendy L. Watanabe". The signature is fluid and cursive, with the first name "Wendy" being the most prominent.

WENDY L. WATANABE  
Auditor-Controller

WLW:JN:CY:LS:bjj  
H:\Word Processing\Board Letters\Budget Adjustmentsv3

Attachments

c: William T Fujioka, Chief Executive Officer  
Sachi A. Hamai, Executive Officer, Board of Supervisors

**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

**ESTABLISH APPROPRIATIONS FOR CONTINGENCIES - GANN:**

<b>SOURCES:</b>		<b>USES:</b>	
<b>GENERAL FUND-FINANCING ELEMENTS</b>		<b>GENERAL FUND</b>	
A01-AO-80-8031-99999		A01-3307	
CUR SEC-SB 813		APPROPRIATION FOR	
SUPPLEMENTAL	4,895,000	CONTINGENCIES - GANN	4,895,000
INCREASE REVENUE		INCREASE APPROPRIATION	
<b>FIRE DEPARTMENT-FINANCING ELEMENTS</b>		<b>FIRE DEPARTMENT</b>	
DA1-FR-80-8003-40100-40109		DA1-3307	
PROP TAXES-CURRENT-SEC	9,553,000	APPROPRIATION FOR	
INCREASE REVENUE		CONTINGENCIES - GANN	9,553,000
		INCREASE APPROPRIATION	
<b>PUBLIC LIBRARY</b>		<b>PUBLIC LIBRARY</b>	
B06-PL-80-8007-41200		B06-3307	
PROP TAXES-CURRENT-UNSEC	1,390,000	APPROPRIATION FOR	
INCREASE REVENUE		CONTINGENCIES - GANN	1,390,000
		INCREASE APPROPRIATION	
<b>TOTAL</b>	<b>\$ 15,838,000</b>	<b>TOTAL</b>	<b>\$15,838,000</b>



**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

**RESERVE FOR SB90 LONG TERM RECEIVABLES**

<b>SOURCES:</b>		<b>USES:</b>	
<b>GENERAL FUND</b>		<b>GENERAL FUND</b>	
A01-3301		A01-3036	
OTHER FUND BALANCE		RESERVE FOR SB90 LONG-	
AVAILABLE	23,842,852	TERM RECEIVABLES	23,842,852
DECREASE FUND BALANCE		INCREASE RESERVE	
<b>TOTAL</b>	<b>\$ 23,842,852</b>	<b>TOTAL</b>	<b>\$ 23,842,852</b>



**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

**RESERVE FOR LOCAL TAXES - UTILITY USER TAX (UUT)**

<b>SOURCES:</b>	<b>USES:</b>
<b>GENERAL FUND</b> A01-302A RESERVE FOR LOCAL TAXES - UUT      7,147,000 DECREASE RESERVE	<b>UUT - MEASURE U</b> A01-CB-81-8080-10580 ELECTRIC USER TAX                      4,106,000 DECREASE REVENUE  <b>UUT - MEASURE U</b> A01-CB-81-8081-10580 GAS USER TAX                              2,044,000 DECREASE REVENUE  <b>UUT - MEASURE U</b> A01-CB-81-8082-10580 COMMUNICATION USER TAX              997,000 DECREASE REVENUE
<b>TOTAL</b> <b>\$ 7,147,000</b>	<b>TOTAL</b> <b>\$ 7,147,000</b>

**RESERVE FOR UTILITY USER TAX**

<b>SOURCES:</b>	<b>USES:</b>
<b>GENERAL FUND</b> A01 - 3301 OTHER FUND BALANCE AVAILABLE      22,228,884 DECREASE FUND BALANCE	<b>GENERAL FUND</b> A01 - 3022 RESERVE FOR UUT                              22,228,884 INCREASE RESERVE
<b>TOTAL</b> <b>\$ 22,228,884</b>	<b>TOTAL</b> <b>\$ 22,228,884</b>



**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

**RESERVE FOR ALHAMBRA-GARVEY LONG-TERM RECEIVABLE**

<b>SOURCES:</b>		<b>USES:</b>	
<b>GENERAL FUND</b> A01-3035		<b>GENERAL FUND</b> A01-3301	
RES FOR LT RCV - ALHAMBRA-GARVEY	117,902	FUND BALANCE AVAILABLE	117,902
DECREASE RESERVE		INCREASE FUND BALANCE	
<b>TOTAL</b>	<b>\$ 117,902</b>	<b>TOTAL</b>	<b>\$ 117,902</b>

**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

<b>SOURCES:</b>		<b>USES:</b>	
<b>ALTERNATE PUBLIC DEFENDER</b>		<b>ALTERNATE PUBLIC DEFENDER</b>	
A01-AD-1000-15575		A01-AD-2000-15575	
SALARIES & EMPLOYEE BENEFITS	334,000	SERVICES & SUPPLIES	334,000
DECREASE APPROPRIATION		INCREASE APPROPRIATION	
<b>TOTAL ALTERNATE PUBLIC DEFENDER</b>	<b>334,000</b>	<b>TOTAL ALTERNATE PUBLIC DEFENDER</b>	<b>334,000</b>
 <b>CHIEF EXECUTIVE OFFICE</b>		 <b>CHIEF EXECUTIVE OFFICE</b>	
A01-AO-2000-10100		A01-AO-5500-10100	
SERVICES & SUPPLIES	178,000	OTHER CHARGES	178,000
DECREASE APPROPRIATION		INCREASE APPROPRIATION	
<b>TOTAL CHIEF EXECUTIVE OFFICE</b>	<b>178,000</b>	<b>TOTAL CHIEF EXECUTIVE OFFICE</b>	<b>178,000</b>
 <b>MUSEUM OF ART</b>		 <b>MUSEUM OF ART</b>	
A01-AR-2000-28250		A01-AR-1000-28250	
SERVICES & SUPPLIES	65,000	SALARIES & EMPLOYEE BENEFITS	219,000
DECREASE APPROPRIATION		INCREASE APPROPRIATION	
 <b>MUSEUM OF ART</b>		 <b>MUSEUM OF ART</b>	
A01-AR-5500-28250			
OTHER CHARGES	19,000		
DECREASE APPROPRIATION			
 <b>MUSEUM OF ART</b>		 <b>MUSEUM OF ART</b>	
A01-AR-6100-28250			
OTHER FINANCING USES	10,000		
DECREASE APPROPRIATION			
 <b>MUSEUM OF ART</b>		 <b>MUSEUM OF ART</b>	
A01-AR-94-9704-28250			
INSURANCE PROCEEDS	125,000		
INCREASE REVENUE			
<b>TOTAL MUSEUM OF ART</b>	<b>219,000</b>	<b>TOTAL MUSEUM OF ART</b>	<b>219,000</b>
 <b>NONDEPARTMENTAL SPECIAL ACCOUNTS</b>		 <b>NONDEPARTMENTAL SPECIAL ACCOUNTS</b>	
A01-CB-2000-13690		A01-CB-5500-13690	
SERVICES & SUPPLIES	9,990,000	OTHER CHARGES	9,990,000
DECREASE APPROPRIATION		INCREASE APPROPRIATION	
<b>TOTAL NONDEPARTMENTAL SPECIAL ACCOUNTS</b>	<b>9,990,000</b>	<b>TOTAL NONDEPARTMENTAL SPECIAL ACCOUNTS</b>	<b>9,990,000</b>
 <b>LA - RICS</b>		 <b>LA - RICS</b>	
A01-CB-6030-13780		A01-CB-6800-13780	
CAPITAL ASSETS-EQUIPMENT	5,000,000	INTRAFUND TRANSFERS	9,995,000
DECREASE APPROPRIATION		INCREASE APPROPRIATION	

**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

<b>SOURCES:</b>	<b>USES:</b>
<b>LA - RICS</b>	<b>LA - RICS</b>
A01-CB-2000-13780	A01-CB-5500-13780
SERVICES & SUPPLIES	OTHER CHARGES
DECREASE APPROPRIATION	INCREASE APPROPRIATION
<b>TOTAL LA - RICS</b>	<b>TOTAL LA - RICS</b>
<b>12,431,000</b>	<b>7,436,000</b>
<b>17,431,000</b>	<b>17,431,000</b>
<b>PUBLIC DEFENDER</b>	<b>PUBLIC DEFENDER</b>
A01-PD-1000-15200	A01-PD-2000-15200
SALARIES & EMPLOYEE BENEFITS	SERVICES & SUPPLIES
DECREASE APPROPRIATION	INCREASE APPROPRIATION
<b>TOTAL PUBLIC DEFENDER</b>	<b>TOTAL PUBLIC DEFENDER</b>
<b>72,000</b>	<b>72,000</b>
<b>72,000</b>	<b>72,000</b>
<b>NONDEPARTMENTAL SPECIAL ACCOUNTS</b>	<b>COURTS-UNALLOCATED-OTHERS</b>
A01-CB-2000-13690	A01-SC-2000-15190
SERVICES & SUPPLIES	SERVICES & SUPPLIES
DECREASE APPROPRIATION	INCREASE APPROPRIATION
<b>TOTAL COURTS-UNALLOCATED-OTHERS</b>	<b>TOTAL COURTS-UNALLOCATED-OTHERS</b>
<b>2,759,000</b>	<b>2,759,000</b>
<b>2,759,000</b>	<b>2,759,000</b>
<b>NONDEPARTMENTAL SPECIAL ACCOUNTS</b>	<b>OFFICE OF PUBLIC SAFETY</b>
A01-CB-2000-13690	A01-SY-1000-16280
SERVICES & SUPPLIES	SALARIES & EMPLOYEE BENEFITS
DECREASE APPROPRIATION	INCREASE APPROPRIATION
<b>9,039,000</b>	<b>4,735,000</b>
<b>9,039,000</b>	<b>4,735,000</b>
<b>TOTAL OFFICE OF PUBLIC SAFETY</b>	<b>OFFICE OF PUBLIC SAFETY</b>
<b>9,039,000</b>	A01-SY-2000-16280
	SERVICES & SUPPLIES
	INCREASE APPROPRIATION
	<b>692,000</b>
	<b>692,000</b>
	<b>OFFICE OF PUBLIC SAFETY</b>
	A01-SY-5500-16280
	OTHER CHARGES
	INCREASE APPROPRIATION
	<b>3,612,000</b>
	<b>3,612,000</b>
	<b>TOTAL OFFICE OF PUBLIC SAFETY</b>
	<b>9,039,000</b>
	<b>9,039,000</b>
<b>PROBATION - JUVENILE INSTITUTIONS SERVICES</b>	<b>PROBATION - JUVENILE INSTITUTIONS SERVICES</b>
A01-PB-2000-17000-17250	A01-PB-1000-17000-17250
SERVICES & SUPPLIES	SALARIES & EMPLOYEE BENEFITS
DECREASE APPROPRIATION	INCREASE APPROPRIATION
<b>2,941,000</b>	<b>8,214,000</b>
<b>2,941,000</b>	<b>8,214,000</b>
<b>PROBATION - JUVENILE INSTITUTIONS SERVICES</b>	
A01-PB-5500-17000-17250	
OTHER CHARGES	
DECREASE APPROPRIATION	
<b>66,000</b>	
<b>66,000</b>	

**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

**SOURCES:**

**PROBATION - JUVENILE INSTITUTIONS SERVICES**

A01-PB-6030-17000-17250  
CAPITAL ASSETS - EQUIPMENT 464,000  
DECREASE APPROPRIATION

**PROBATION - FIELD SERVICES**

A01-PB-1000-17000-17300  
SALARIES & EMPLOYEE BENEFITS 4,743,000  
DECREASE APPROPRIATION

**TOTAL PROBATION - JUVENILE INSTITUTIONS SERVICES** 8,214,000

**PROBATION - SPECIAL SERVICES**

A01-PB-2000-17000-17350  
SERVICES & SUPPLIES 697,000  
DECREASE APPROPRIATION

**TOTAL PROBATION - SPECIAL SERVICES** 697,000

**SHERIFF - CUSTODY**

A01-SH-2000-15681-15685  
SERVICES & SUPPLIES 11,259,000  
DECREASE APPROPRIATION

**TOTAL SHERIFF - CUSTODY** 11,259,000

**SHERIFF - PATROL**

A01-SH-2000-15681-15682  
SERVICES & SUPPLIES 12,397,000  
DECREASE APPROPRIATION

**SHERIFF - PATROL**

A01-SH-6030-15681-15682  
CAPITAL ASSETS - EQUIPMENT 6,200,000  
DECREASE APPROPRIATION

**TOTAL SHERIFF - PATROL** 18,597,000

**SHERIFF - DETECTIVE SERVICES**

A01-SH-2000-15681-15683  
SERVICES & SUPPLIES 5,047,000  
DECREASE APPROPRIATION

**SHERIFF - DETECTIVE SERVICES**

A01-SH-6030-15681-15683  
CAPITAL ASSETS - EQUIPMENT 41,000  
DECREASE APPROPRIATION

**USES:**

**TOTAL PROBATION - JUVENILE INSTITUTIONS SERVICES**

8,214,000

**PROBATION - SPECIAL SERVICES**

A01-PB-1000-17000-17350  
SALARIES & EMPLOYEE BENEFITS 697,000  
INCREASE APPROPRIATION

**TOTAL PROBATION - SPECIAL SERVICES** 697,000

**SHERIFF - CUSTODY**

A01-SH-1000-15681-15685  
SALARIES & EMPLOYEE BENEFITS 11,259,000  
INCREASE APPROPRIATION

**TOTAL SHERIFF - CUSTODY** 11,259,000

**SHERIFF - PATROL**

A01-SH-1000-15681-15682  
SALARIES & EMPLOYEE BENEFITS 18,597,000  
INCREASE APPROPRIATION

**TOTAL SHERIFF - PATROL**

18,597,000

**SHERIFF - DETECTIVE SERVICES**

A01-SH-1000-15681-15683  
SALARIES & EMPLOYEE BENEFITS 8,695,000  
INCREASE APPROPRIATION

**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

**SOURCES:**

**USES:**

**SHERIFF - DETECTIVE SERVICES**

A01-SH-6800-15681-15683  
INTRAFUND TRANSFERS 150,000  
DECREASE APPROPRIATION

**SHERIFF - GENERAL SUPPORT SERVICES**

A01-SH-2000-15681-15687  
SERVICES & SUPPLIES 3,457,000  
DECREASE APPROPRIATION

**TOTAL SHERIFF - DETECTIVE SERVICES** 8,695,000

**TOTAL SHERIFF - DETECTIVE SERVICES** 8,695,000

**SHERIFF - COUNTY SERVICES**

A01-SH-92-9320-15681-15689  
OTHER COUNTY DEPARTMENTS 86,000  
INCREASE REVENUE

**TOTAL SHERIFF - COUNTY SERVICES** 86,000

**SHERIFF - COUNTY SERVICES**

A01-SH-92-9301-15681-15689  
LAW ENFORCEMENT SERVICES 86,000  
DECREASE REVENUE

**TOTAL SHERIFF - COUNTY SERVICES** 86,000

**GENERAL FUND**

A01-3307  
APPROPRIATION FOR  
CONTINGENCIES - GANN 4,895,000  
DECREASE APPROPRIATION

**COUNTY EMPLOYEE SICK LEAVE PAY**

A01-EB-1000-12765-12775  
SALARIES & EMPLOYEE BENEFITS 7,089,000  
INCREASE APPROPRIATION

**NONDEPARTMENTAL SPECIAL ACCOUNTS**

A01-CB-2000-13690  
SERVICES & SUPPLIES 2,194,000  
DECREASE APPROPRIATION

**TOTAL COUNTY EMPLOYEE SICK LEAVE PAY** 7,089,000

**TOTAL COUNTY EMPLOYEE SICK LEAVE PAY** 7,089,000

**PUBLIC WORKS**

A01-PW-2000-47000  
SERVICES & SUPPLIES 29,000  
DECREASE APPROPRIATION

**TOTAL PUBLIC WORKS** 29,000

**PUBLIC WORKS**

A01-PW-1000-47000  
SALARIES & EMPLOYEE BENEFITS 29,000  
INCREASE APPROPRIATION

**TOTAL PUBLIC WORKS** 29,000

**TOTAL GENERAL FUND** \$ 94,688,000

**TOTAL GENERAL FUND** \$ 94,688,000



**AUDITOR-CONTROLLER  
FINAL 4-VOTE BUDGET ADJUSTMENT  
FISCAL YEAR 2010-2011**

<b>SOURCES:</b>		<b>USES:</b>	
<b>REGIONAL PARK &amp; OPEN SPACE DISTRICT-ADMIN</b>		<b>REGIONAL PARK &amp; OPEN SPACE DISTRICT-ADMIN</b>	
HB2 - 3017		HB2 - 3301	
DES FOR PROGRAM EXPANSION	100,000	OTHER FUND BALANCE AVAILABLE	100,000
DECREASE DESIGNATION	100,000	INCREASE FUND BALANCE	100,000
<b>TOTAL REGIONAL PARK &amp; OPEN</b>		<b>TOTAL REGIONAL PARK &amp; OPEN</b>	
<b>SPACE DISTRICT-ADMIN</b>	<b>100,000</b>	<b>SPACE DISTRICT-ADMIN</b>	<b>100,000</b>
<b>TOTAL NON GENERAL FUND</b>	<b>\$ 32,703,000</b>	<b>TOTAL NON GENERAL FUND</b>	<b>\$ 32,703,000</b>
<b>GRAND TOTAL</b>	<b>\$ 127,391,000</b>	<b>GRAND TOTAL</b>	<b>\$ 127,391,000</b>