

MOTION BY SUPERVISORS HILDA L. SOLIS AND
SHEILA KUEHL

October 1, 2019

**ENHANCING INTERNAL PROCESSES AND ESTABLISHING CONTROLS WITHIN
THE SHERIFF'S DEPARTMENT TO ENSURE ACCOUNTABILITY AND ACHIEVE
FISCAL RESPONSIBILITY**

As mandated by State law, the County closes each fiscal year with a balanced budget. This is dependent on each of the County's 38 Departments closing within budget. When Departments fall short, the gap must be covered by the County General Fund – which ultimately means that other County priorities go unfunded.

The Los Angeles Sheriff Department's (LASD) budget is approximately \$3.5 billion. As part of today's Supplemental Changes Budget, LASD will close with a net deficit of approximately \$63.4 million for FY2018-19, due primarily to over-expenditures in overtime and under-realized revenue.

The Sheriff's Department has a constitutional responsibility to provide public safety. However, that responsibility must be discharged under the same budgetary guidelines that apply to its sister County Departments, many of whom are also mandated by law to provide various critical services. This is true regardless of whether

MOTION

SOLIS _____

RIDLEY-THOMAS _____

KUEHL _____

BARGER _____

HAHN _____

the Department Head is elected by LA County voters or appointed by the Board of Supervisors (Board).

Every County Department must exercise fiscally sound budgetary practices, so that we, the County, can be a good steward of taxpayer funds as required under State law. LA County's excellent stewardship of taxpayer funds was recently validated through a AAA rating by one of our crediting agencies, Standard & Poor's. If this Board fails to take concrete action to address LASD's prior-year budget deficit, LA County's new hard-earned credit rating might be jeopardized, making service delivery to our residents more expensive.

The coordinated effort to maintain the County's fiscal health is led by the Chief Executive Officer (CEO), who made several requests to LASD to produce a budget mitigation plan during the prior fiscal year (FY2018-19). Despite these repeated requests, no mitigation has yet been provided. The CEO is now working with the Sheriff's Department on a mitigation plan to: 1) develop a payment plan to repay the County General Fund for last year's deficit; and 2) implement controls to prevent future deficits. The County's Acting Auditor-Controller can also assist LASD by reviewing the Department's operations and accounting to find sustainable efficiencies.

Considering the significance of the prior-year deficit, a potential current-year deficit and their impact on overall County service delivery, this mitigation plan should identify areas where efficiencies can be achieved, services can be more effectively provided, and operational processes strengthened. However, it must be balanced with the Sheriff's Departments' constitutional responsibilities. Any mitigation plan should assume that LASD will hire fewer administrative staffers, but retain the ability to hire

individuals into critical health and public safety positions, and to pursue “civilianization,” where civilian staff are hired to replace uniformed staff on administrative assignments, so that uniformed staff can return to duty in patrol or custody.

Further, the Board of Supervisors will not tolerate any reduction to sworn staff on patrol under any circumstances.

It is the Board of Supervisors’ responsibility to the more than 10 million County residents it serves to establish financial, budgetary, and operational policies that will be executed by every County Department. The Board is committed to organizational continuity, fiscal responsibility, and most importantly, transparency. LA County residents deserve no less.

WE, THEREFORE, MOVE that the Board of Supervisors:

1. Request the Sheriff, in consultation with the Chief Executive Officer (CEO), Acting Auditor-Controller (A-C), and County Counsel to develop and implement an ongoing deficit mitigation plan without any reduction of sworn staff on patrol or impact to Board-priority services.
2. Direct the CEO to develop a plan for Board consideration to recover the adjusted FY2018-19 NCC deficit of \$63.4 million from the Sheriff’s Department over a multi-year period starting in FY 2019-20.
3. Direct the CEO to implement a hiring freeze on the Los Angeles Sheriff’s Department (LASD), excluding critical health and public safety positions as determined by the CEO.
4. Direct the Acting A-C, in consultation with the CEO, to transfer \$143.7 million from various LASD budget units to the Provisional Financings Uses – Sheriff

(PFU - Sheriff) budget unit, so that the funding is still dedicated for LASD but not available to the Department until a Board-approved budget mitigation plan is implemented. The \$143.7 million will be transferred from services and supplies appropriation (\$134.4 million) and from capital assets - equipment appropriation (\$9.3 million).

5. Direct the Acting A-C and CEO to monitor the Sheriff's progress in implementing the budget mitigation plan and achieving satisfactory budgetary performance. As LASD makes progress in its budgetary performance to address the current-year deficit, the Acting A-C and CEO may make recommendations to transfer funding back to the Sheriff's Department's operating budget units.
6. Direct the Acting A-C, in collaboration with the CEO and the Office of Inspector General, to conduct an operational review of LASD to determine whether there are areas that can be more efficient and/or can operate more effectively, such as the use of overtime. The Acting A-C should utilize a consultant and/or other experienced professionals that can assist in reviewing the Sheriff's operations.
7. Request the Sheriff's Department, in consultation with the Acting A-C and CEO, to report back to the Board on a quarterly basis on the progress being made to ensure that it operates within the Board-adopted budget.

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HLS: tof

October 01, 2019

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE

FY 2019-20

3 - VOTES

SOURCES

USES

BA DETAIL - SEE ATTACHMENT PAGES 1 - 2

BA DETAIL - SEE ATTACHMENT PAGES 1 - 2

SOURCES TOTAL

\$ 148,732,000

USES TOTAL

\$ 148,732,000

JUSTIFICATION

Reflects a transfer of \$143.7 million (\$134.4 million Services and Supplies and \$9.3 million Capital Assets-Equipment) from various LASD budget units to the Provisional Financing Uses-Sheriff (PFU-Sheriff) budget unit as approved by the Board on October 1, 2019 (Item #10).

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

AUTHORIZED SIGNATURE

SHEILA WILLIAMS, SENIOR MANAGER, CEO

10 **OCT 01 2019**
BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

CELIA ZAVALA
EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

ACTION

APPROVED AS REQUESTED

RECOMMENDATION

APPROVED AS REVISED

AUDITOR-CONTROLLER

BY

CHIEF EXECUTIVE OFFICER

B.A. NO. 050

DATE

Oct 3, 2019

BY

DATE

Oct 13, 2019

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT

SOURCES	FY 2019-20 3 - VOTES	USES	
SHERIFF - PATROL CLEARING A01-SH-2000-15681-15682 SERVICES & SUPPLIES DECREASE APPROPRIATION	5,032,000	PFU-SHERIFF A01-CB-2000-13749-13752 SERVICES & SUPPLIES INCREASE APPROPRIATION	143,700,000
SHERIFF - PATROL - SPECIALIZED AND UNALLOCATED A01-SH-2000-15681-15692 SERVICES & SUPPLIES DECREASE APPROPRIATION	5,032,000	SHERIFF - PATROL CLEARING A01-SH-5350-15681-15682 S & S EXPENDITURE DISTRIBUTION INCREASE APPROPRIATION	5,032,000
SHERIFF - DETECTIVE SERVICES A01-SH-2000-15681-15683 SERVICES & SUPPLIES DECREASE APPROPRIATION	2,975,000		
SHERIFF - ADMINISTRATION A01-SH-2000-15681-15684 SERVICES & SUPPLIES DECREASE APPROPRIATION	5,172,000		
SHERIFF - CUSTODY A01-SH-2000-15681-15685 SERVICES & SUPPLIES DECREASE APPROPRIATION	50,812,000		
SHERIFF - COURT SERVICES A01-SH-2000-15681-15686 SERVICES & SUPPLIES DECREASE APPROPRIATION	5,778,000		
SHERIFF - GENERAL SUPPORT SERVICES A01-SH-2000-15681-15687 SERVICES & SUPPLIES DECREASE APPROPRIATION	52,850,000		
SHERIFF - COUNTY SERVICES A01-SH-2000-15681-15689 SERVICES & SUPPLIES DECREASE APPROPRIATION	11,781,000		
SHERIFF - PATROL - SPECIALIZED AND UNALLOCATED A01-SH-6030-15681-15692 CAPITAL ASSETS - EQUIPMENT DECREASE APPROPRIATION	3,182,000		

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

10

OCT 01 2019

Celia Zavala
CELIA ZAVALA
EXECUTIVE OFFICER

BA #050

Larban 10/3/19

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT

SOURCES	FY 2019-20 3 - VOTES	USES
SHERIFF - DETECTIVE SERVICES		
A01-SH-6030-15681-15683		
CAPITAL ASSETS - EQUIPMENT		
DECREASE APPROPRIATION	537,000	
 SHERIFF - ADMINISTRATION		
A01-SH-6030-15681-15684		
CAPITAL ASSETS - EQUIPMENT		
DECREASE APPROPRIATION	186,000	
 SHERIFF - CUSTODY		
A01-SH-6030-15681-15685		
CAPITAL ASSETS - EQUIPMENT		
DECREASE APPROPRIATION	2,224,000	
 SHERIFF - GENERAL SUPPORT SERVICES		
A01-SH-6030-15681-15687		
CAPITAL ASSETS - EQUIPMENT		
DECREASE APPROPRIATION	2,686,000	
 SHERIFF - COUNTY SERVICES		
A01-SH-6030-15681-15689		
CAPITAL ASSETS - EQUIPMENT		
DECREASE APPROPRIATION	485,000	
 SOURCES TOTAL	 \$ 148,732,000	 USES TOTAL
		\$ 148,732,000

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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OCT 01 2019

Celia Zavala
CELIA ZAVALA
EXECUTIVE OFFICER

BA #050
Subam 10/31/19