



Capital Projects Summary



- **The Proposed 2002-03 Capital Projects/ Refurbishments Budget appropriates \$480.9 million for 351 high priority projects, of which \$292.2 million is revenue-offset**
- **Total value of the projects under development, design, or construction is estimated at nearly \$2.0 billion**
- **Recommended appropriations for such high priority projects include:**
 - **\$147.8 million for the renovation and expansion of the Long Beach Courthouse, improvements to fire stations in high-growth areas, construction of new housing units at Central and Los Padrinos Juvenile Halls, construction of three new Sheriff stations, relocation of the Sheriff's Special Enforcement Bureau, and expansion of the Coroner's autopsy and laboratory facilities**



Capital Projects Summary



Recommended appropriations for high priority projects (*cont'd*):

- **\$120.7 million for construction or refurbishment of community centers, gymnasiums, athletic fields, trails, and landscaping at County parks and beaches**
- **\$86.8 million for the seismic retrofit of hospital facilities, design of a replacement inpatient facility at Rancho Los Amigos National Rehabilitation Center, and the initiation of construction of the LAC+USC Medical Center Replacement Project**
- **\$38.2 million for improvements to general government facilities, including the redevelopment of the East Los Angeles Civic Center, design of the Countywide Data Center, redevelopment of El Pueblo de Los Angeles, and construction of the Altadena Community Center**
- **\$17.6 million for the reconfiguration of MacLaren Children's Center, the development of new libraries, and the construction of childcare centers**



CHALLENGES IN FISCAL YEAR 2002-03



- **No Proposition 172 revenue growth for 2002-03, resulting from an estimated \$30 million shortfall in the current year**
- **Health Services seeks to significantly alter the design of its health care system due to projected shortfall of approximately \$365 million in FY 2003-04**
- **Minimal increases in Sales Tax Realignment and Vehicle License Fee Realignment revenues**
- **Curtailments in various departments due to anticipated funding shortfalls and unavoidable cost increases**



CHALLENGES IN FISCAL YEAR 2002-03



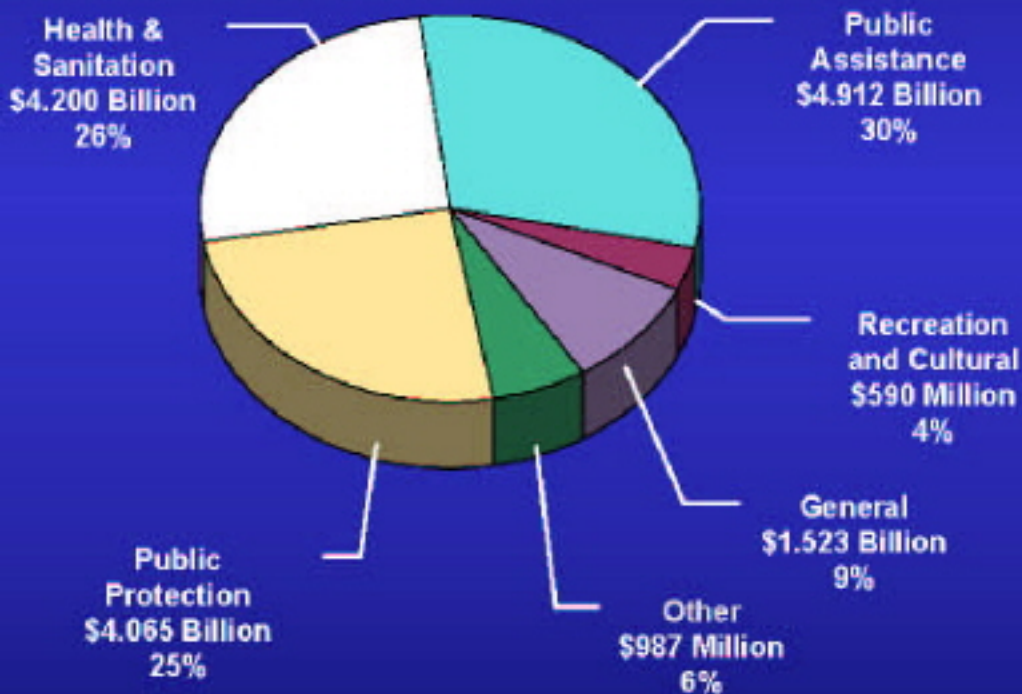
- **No Proposition 172 revenue growth for 2002-03, resulting from an estimated \$30 million shortfall in the current year**
- **Health Services seeks to significantly alter the design of its health care system due to projected shortfall of approximately \$365 million in FY 2003-04**
- **Minimal increases in Sales Tax Realignment and Vehicle License Fee Realignment revenues**
- **Curtailments in various departments due to anticipated funding shortfalls and unavoidable cost increases**



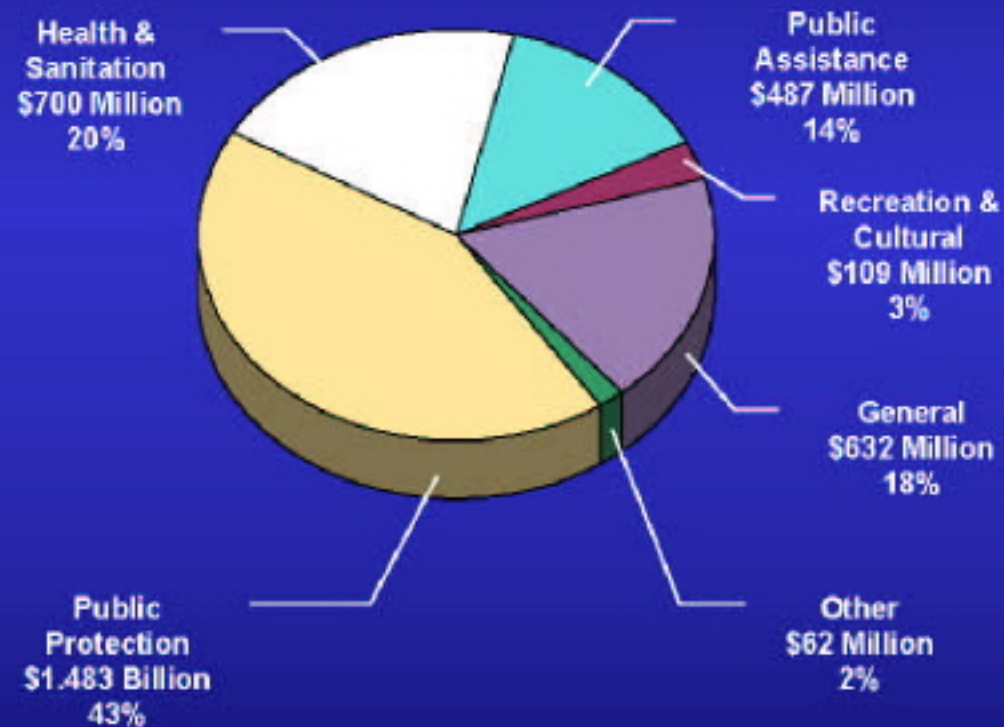
Cost Comparison By Function



TOTAL COST



NET COUNTY COST





Economic Outlook

*From the UCLA Anderson Forecast**



- **California is nearing a turning point after a mild recession with serious loss of high-tech jobs**
- **Effects of terrorism are receding, but foreign trade and tourism are still negative**
- **Expansion projected to begin by mid-year, but growth will initially be slow**
- **The state's growth could lag the U.S., depending on timing and magnitude of Bay Area's rebound**
- **Unemployment will reach nearly 6.5% in 2002**

* UCLA Anderson Forecast, March 2002



Economic Outlook



Major Revenue Source	County Forecasted Growth (2001-02 Final Budget to 2002-03 Proposed Budget)	County Forecasted Growth (2001-02 Estimated Actuals to 2002-03 Proposed Budget)
Property Tax	6.7%	4.0%
Local Sales Tax	3.6%	3.6%
Sales Tax – Realignment	1.8%	4.4%
Public Safety Augmentation	0.0%	6.1%



Economic Outlook



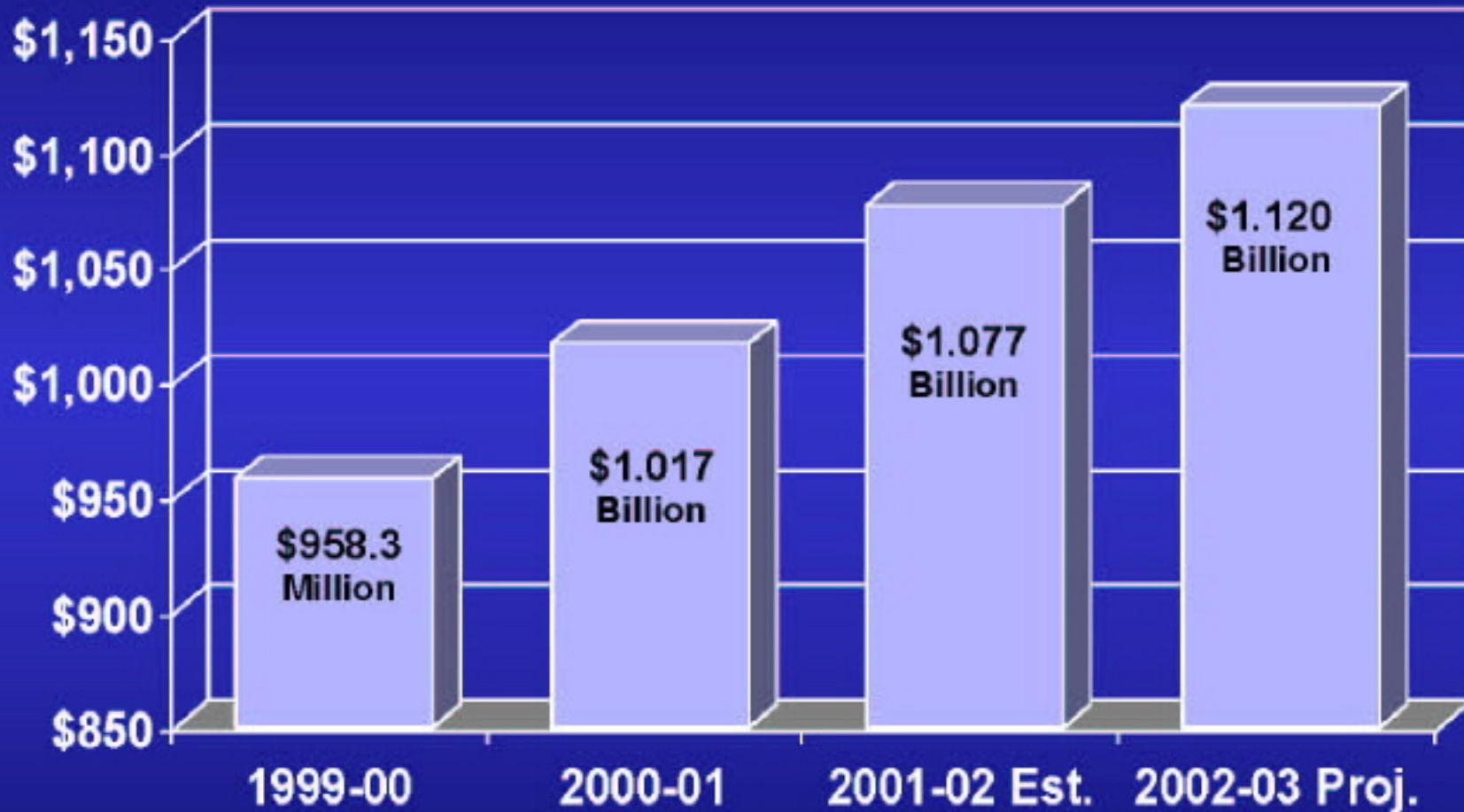
Major Revenue Source	County Forecasted Growth (2001-02 Final Budget to 2002-03 Proposed Budget)	County Forecasted Growth (2001-02 Estimated Actuals to 2002-03 Proposed Budget)
Vehicle License Fees (VLF) – <i>Regular</i>	4.0%	2.4%
Vehicle License Fees (VLF) – <i>Realignment</i>	5.7%	2.7%



Gross ERAF Loss Four Year Trend



Millions





Summary of Recommended Funding

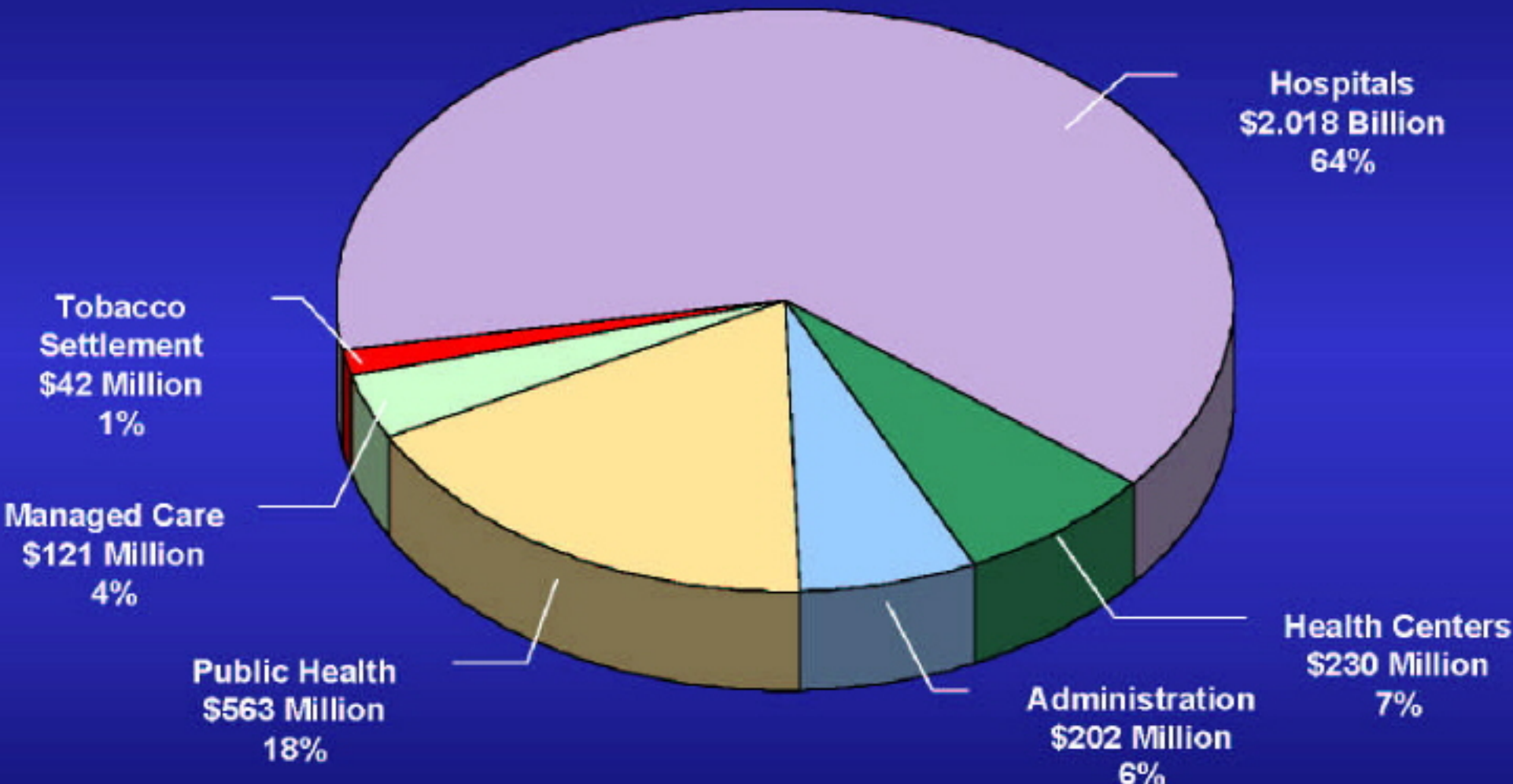
Health Services



- **Because the Department will not produce its Strategic Operational Plan until June, \$272.6 million from their reserve will be used as a placeholder to balance the budget. However, it would be fiscally imprudent to fully deplete the reserve when the Department is facing a \$365 million deficit in 2003-04. Therefore, we will be working with the Department and the Board to implement significant reductions in 2002-03 in the operations of the Department thus spreading the availability of the reserve over several years**
- **Budget includes \$41.8 million in tobacco settlement funds. The recommended use of these funds will be provided for Board consideration during Final Changes**



Health Services \$3.176 Billion





IMPACT OF STATE BUDGET CUTS

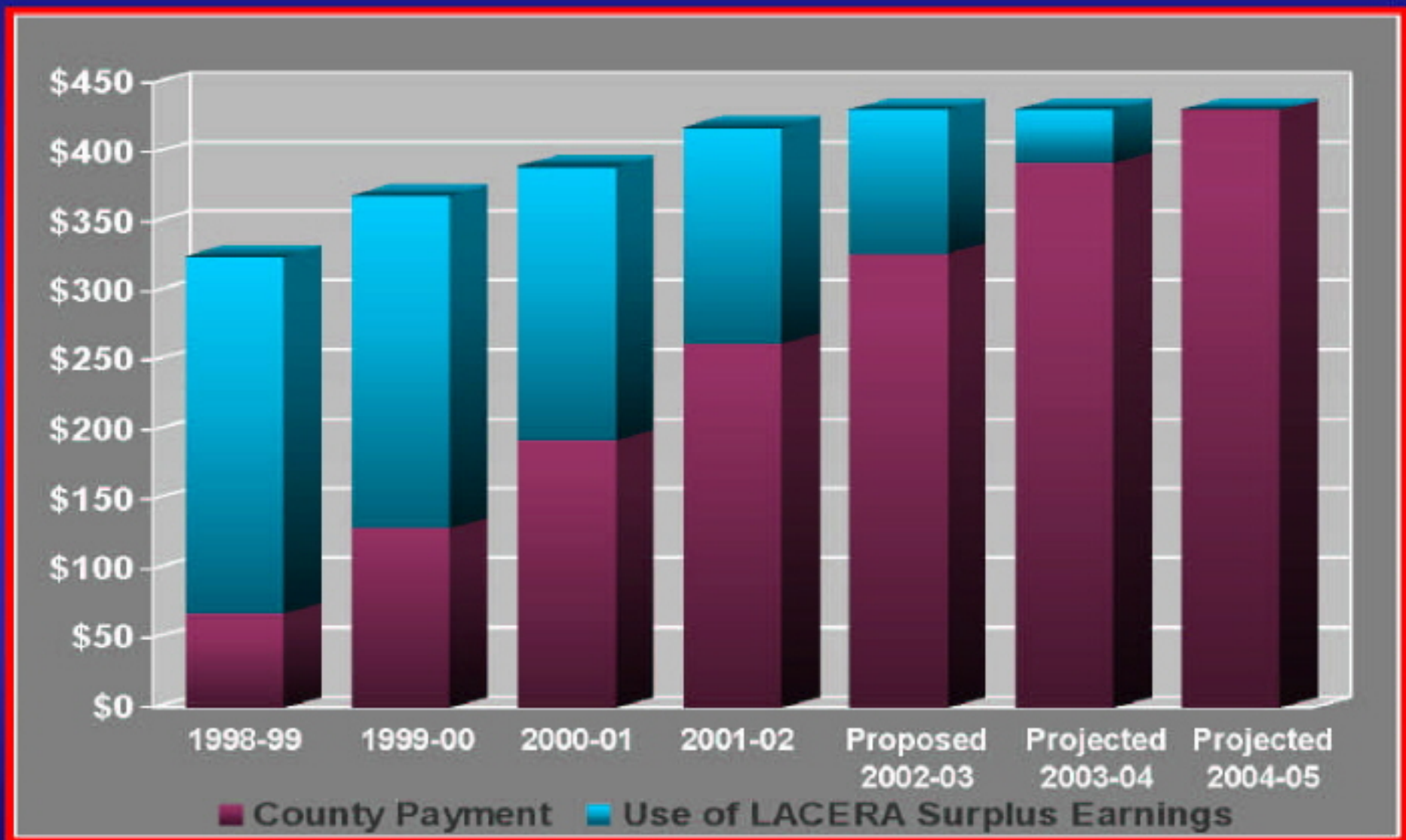


- **Freeze in the California Work Opportunities and Responsibility to Kids (CalWORKs) Single Allocation grant will negatively affect Los Angeles County's Department of Social Services by \$100 million**
- **Increase in the Disproportionate Share Hospital (DSH) administrative fee will reduce Los Angeles County's health resources by \$11.2 million**
- **Discontinued funding for trauma care from which Los Angeles County received \$6.8 million in FY 2001-02**
- **Reduced funding for Los Angeles County Public Libraries of \$1.1 million**



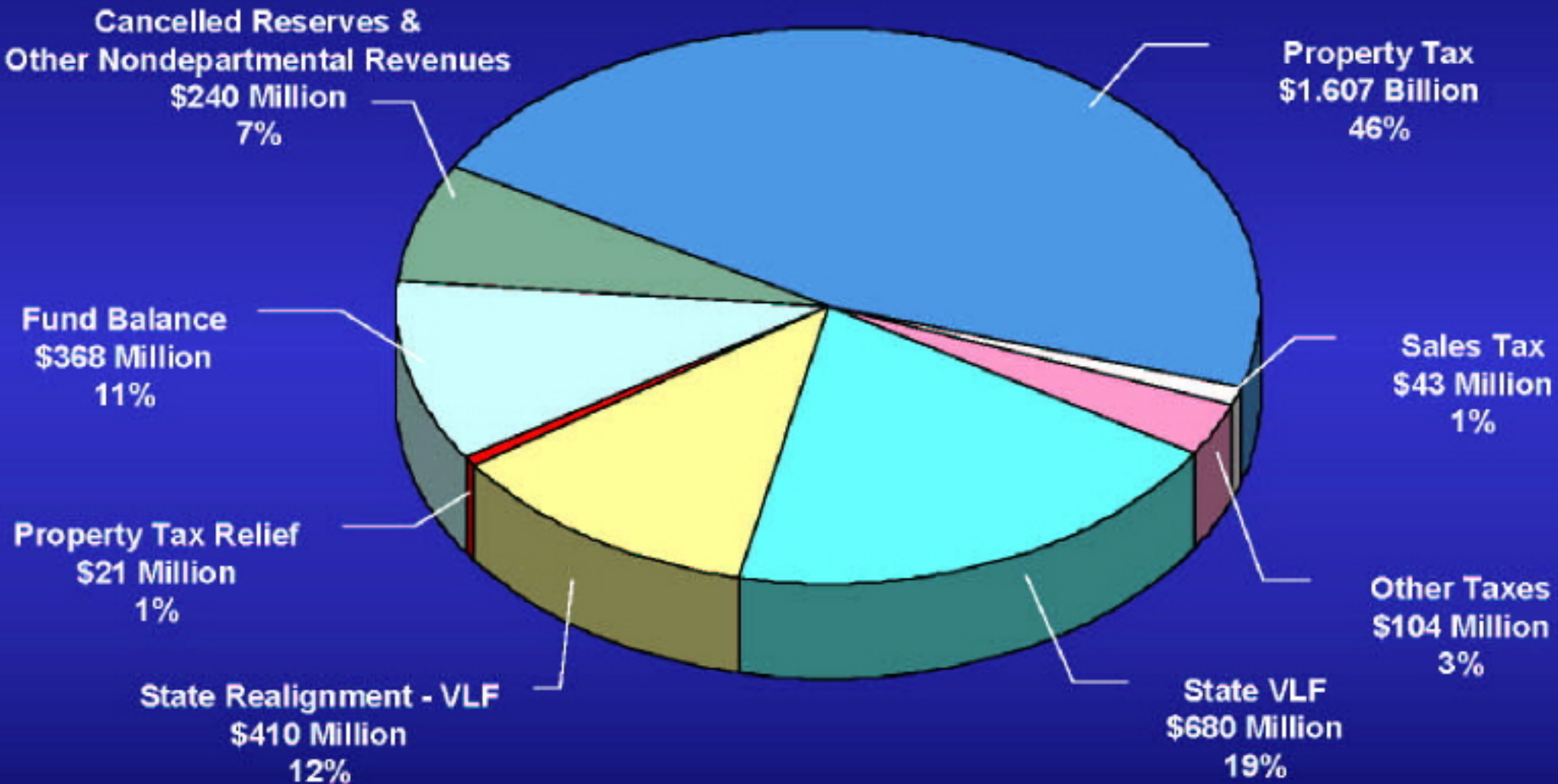
Use of LACERA Surplus Earnings

\$ in Millions





Locally Generated Revenue \$3.473 Billion

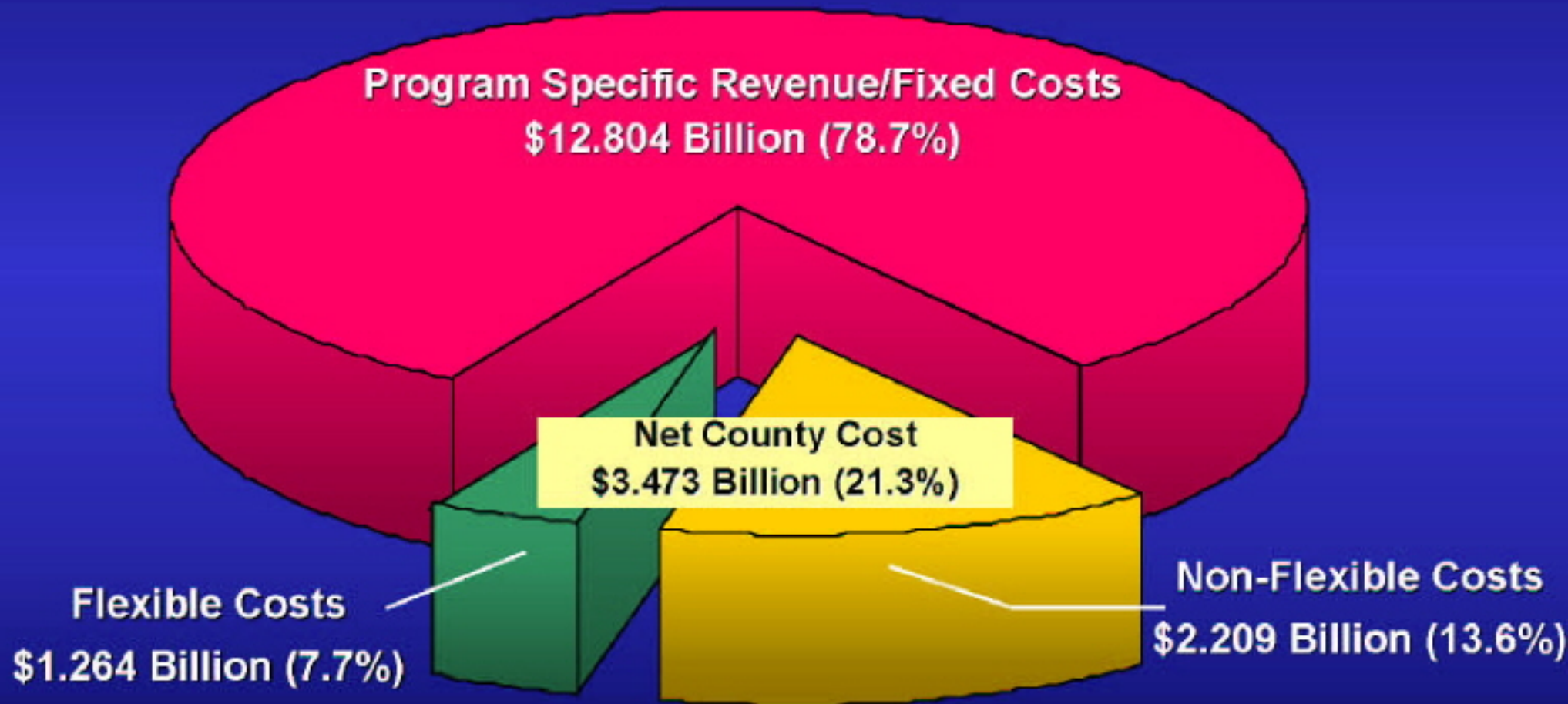




Total Proposed Budget \$16.277 Billion



Mandated vs. Discretionary Costs



Mandated vs. Discretionary Costs



Net County Cost
\$3.473 Billion (21.3%)

Program Specific Revenue/Fixed Costs \$12.804 Billion (78.7%)

	(\$ in millions)
Debt Service Funds	\$ 43.9
Health/Social Services	\$ 7,440.6
Property Tax Administration	\$ 66.5
Proposition 172 - Public Safety Augmentation Fund	\$ 527.4
Sheriff	\$ 446.8
District Attorney	\$ 80.6
Special Funds/Districts	\$ 2,926.2
Subventions/Revenues That Offset Costs	\$ 1,624.8
Trial Court Funding	\$ 174.9

Flexible Costs \$1.264 Billion (7.7%)

Public Protection \$480.2 Million (2.9%)

Community-Based Contracts	\$ 2.0
Coroner	\$ 18.3
District Attorney-Criminal	\$ 63.2
Emergency Preparedness	\$ 4.2
Fire - Lifeguards	\$ 19.3
Justice-Related	\$ 2.0
Office of Public Safety	\$ 11.1
Probation - Camps/Support Services	\$ 96.2
Sheriff	\$ 263.9

All Other Costs \$783.5 Million (4.8%)

Agricultural Comm./Wts. & Measures	\$ 4.8
Animal Care and Control	\$ 6.7
Capital Projects	\$ 173.0
Consumer Affairs	\$ 1.8
Countywide Services	\$ 12.6
Extraordinary Maintenance	\$ 43.4
General Government	\$ 258.2
Health-Drug Court	\$ 1.8
Health-GF Contribution	\$ 20.0
Health-Others	\$ 1.1
Health-Tobacco	\$ 101.8
Human Relations Commission	\$ 2.1
Ombudsman	\$ 0.8
Other Public Services	\$ 4.6
Parks and Recreation	\$ 62.7
Other Recreation and Cultural	\$ 18.7
Regional Planning	\$ 7.9
Reserves/Designations	\$ 61.5

Nonflexible Costs \$2.209 Billion (13.6%)

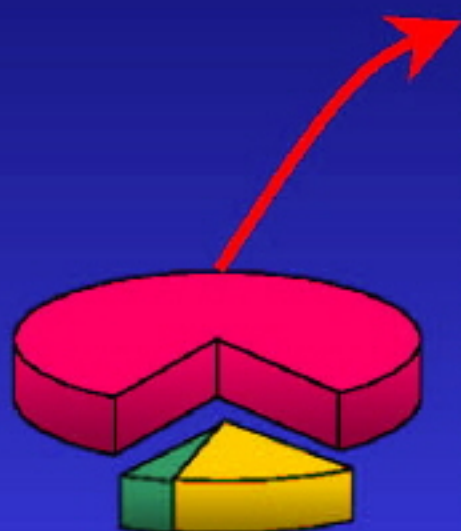
MOE & Mandatory Costs/Services \$2,134.2 Million (13.1%)

	(\$ in millions)
Alternate Public Defender	\$ 30.6
Assessor	\$ 67.0
Other Court Related	\$ 206.2
Indigent Defense	\$ 40.6
District Attorney - Criminal	\$ 52.6
Health/Mental Health	\$ 581.1
LAFCO	\$ 0.6
Probation - Other	\$ 202.8
Public Defender	\$ 120.2
Social Services	\$ 478.6
Sheriff	\$ 394.5

Other Nonflexible Costs \$74.9 Million (0.5%)

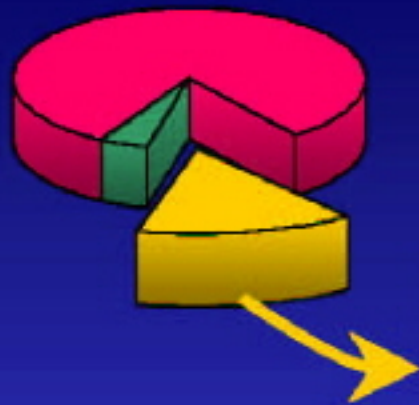
Capital Projects-Seismic Retrofit	\$ 13.9
Grand Jury	\$ 1.2
Judgments & Damages/Insurance	\$ 31.7
Museums Obligation	\$ 28.0
Special Assessments	\$ 0.1

Program Specific Revenue/Fixed Costs \$12.804 Billion (78.7%)



(\$ in millions)

Debt Service Funds	\$	43.9
Health/Social Services	\$	7,440.6
Property Tax Administration	\$	66.5
Proposition 172 - Public		
Safety Augmentation Fund	\$	527.4
Sheriff	\$	446.8
District Attorney	\$	80.6
Special Funds/Districts	\$	2,926.2
Subventions/Revenues		
That Offset Costs	\$	1,624.8
Trial Court Funding	\$	174.9



Nonflexible Costs
\$2.209 Billion (13.6%)

MOE & Mandatory Costs/Services \$2,134.2 Million (13.1%)	
Alternate Public Defender	\$ 30.6
Assessor	\$ 67.0
Other Court Related	\$ 206.2
Indigent Defense	\$40.6
District Attorney - Criminal	\$ 52.6
Health/Mental Health	\$ 581.1
Local Agency Formation	
Commission	\$ 0.6
Probation - Other	\$ 202.8
Public Defender	\$ 120.2
Social Services	\$ 478.6
Sheriff	\$ 394.5

Other Nonflexible Costs \$74.9 Million (0.5%)	
Capital Projects-	
Seismic Retrofit	\$ 13.9
Grand Jury	\$ 1.2
Judgments & Damages/Insur.	\$ 31.7
Museums Obligation	\$ 28.0
Special Assessments	\$ 0.1



Flexible Costs
\$1.264 Billion (7.7%)

Public Protection
\$480.2 Million (2.9%)

Community-Based Contracts	\$ 2.0
Coroner	\$ 18.3
District Atty- Criminal	\$ 63.2
Emergency Preparedness	\$ 4.2
Fire - Lifeguards	\$ 19.3
Justice Related	\$ 2.0
Office of Public Safety	\$ 11.1
Probation – Camps/Support Services	\$ 96.2
Sheriff	\$ 263.9

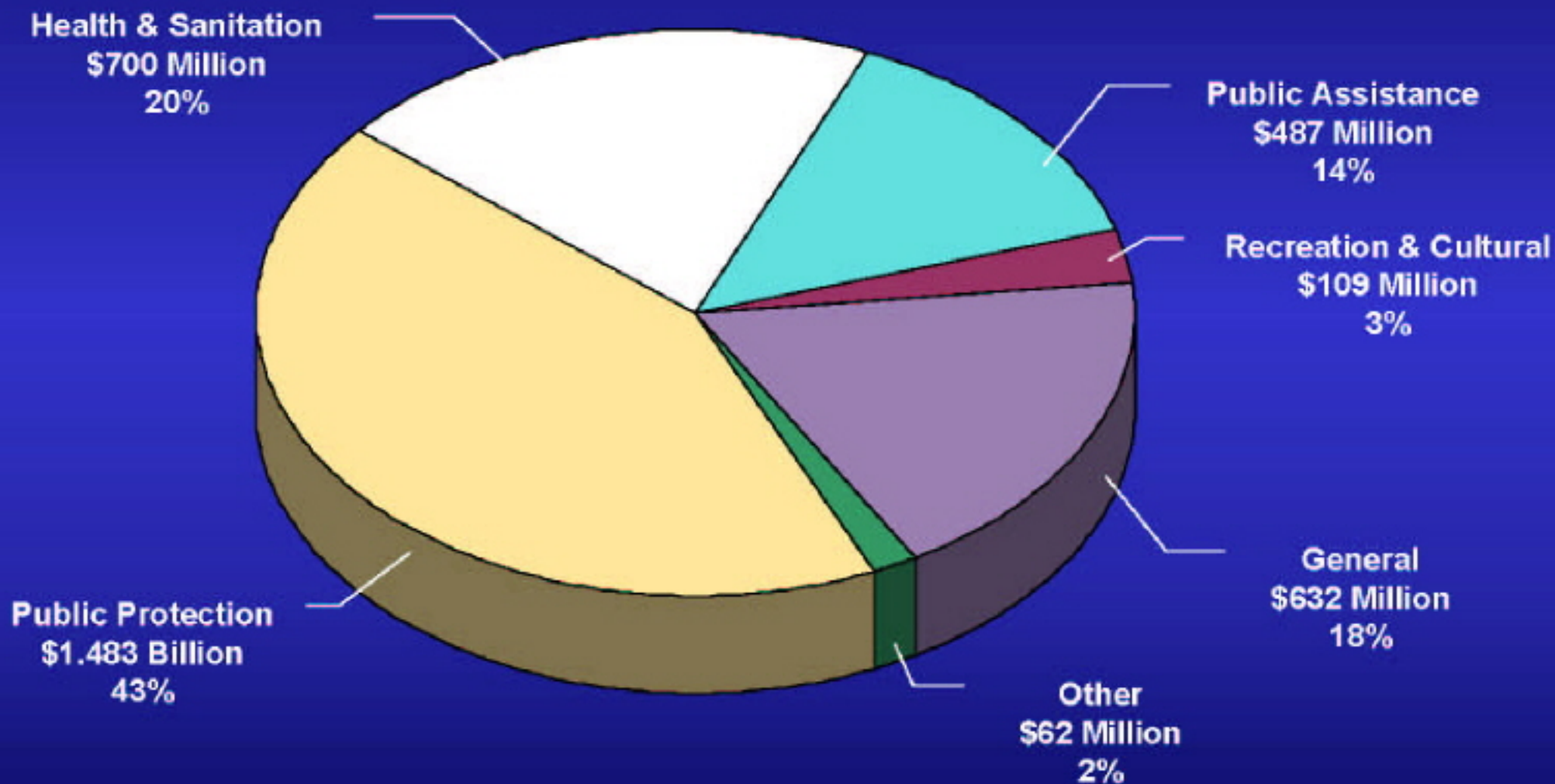
All Other Costs
\$783.5 Million (4.8%)

Agri Comm./Wts. & Measures	\$ 4.8
Animal Care and Control	\$ 6.7
Capital Projects	\$ 173.0
Consumer Affairs	\$ 1.8
Countywide Services	\$ 12.6
Extraordinary Maintenance	\$ 43.4
General Government	\$ 258.2
Health-Drug Court	\$ 1.8
Health-GF Contribution	\$ 20.0
Health-Others	\$ 1.1
Health-Tobacco	\$ 101.8
Human Relations Commission	\$ 2.1
Ombudsman	\$ 0.8
Other Public Services	\$ 4.6
Parks and Recreation	\$ 62.7
Other Recreation and Cultural	\$ 18.7
Regional Planning	\$ 7.9
Reserves/Designations	\$ 61.5



Net County Cost By Function

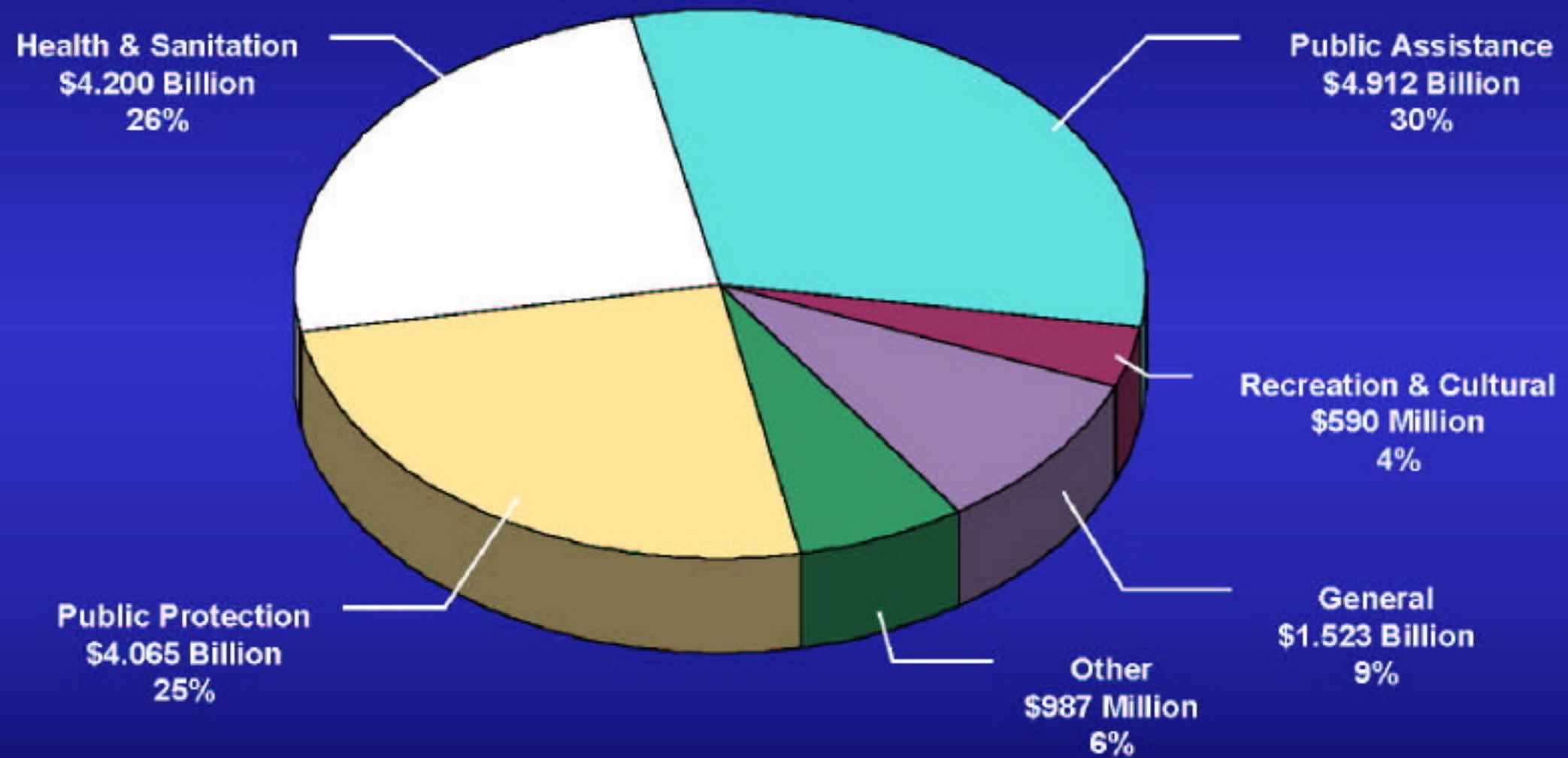
\$3.473 Billion





Total Cost By Function

\$16.277 Billion





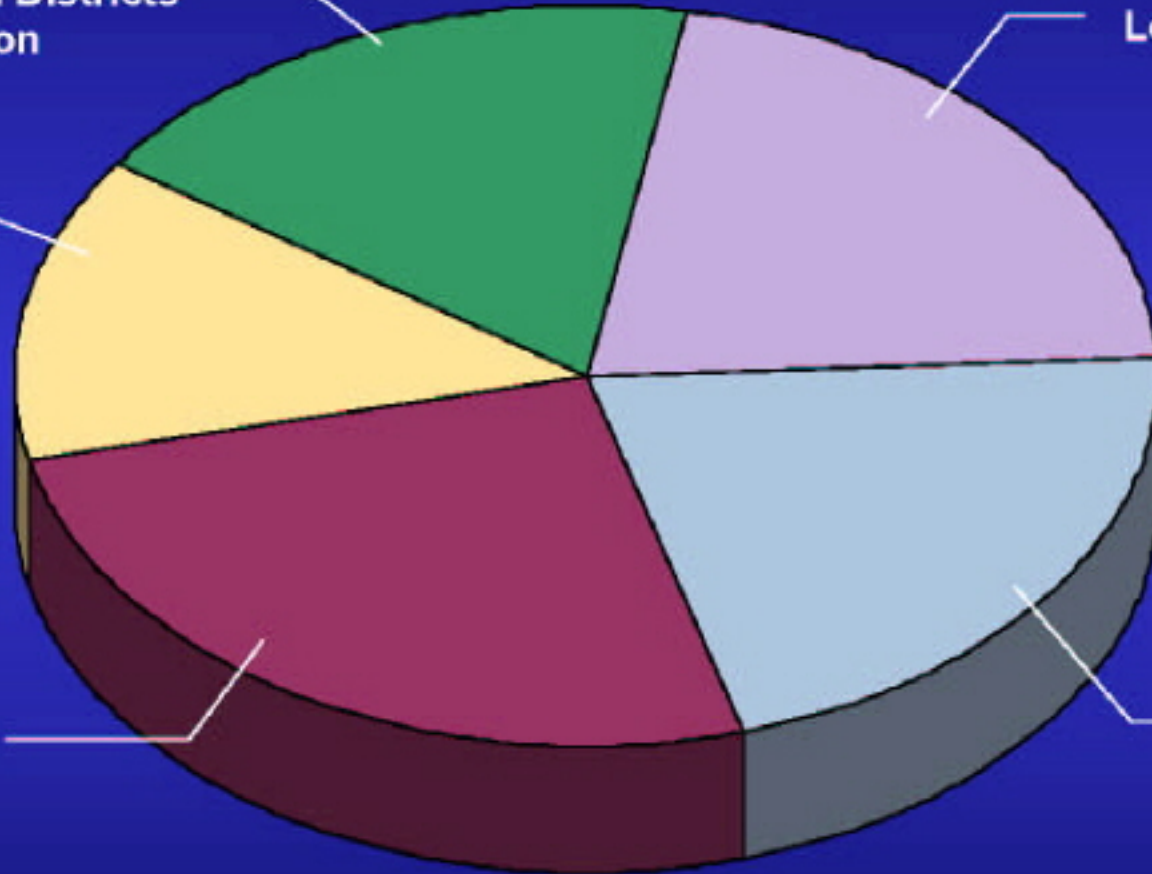
Total Revenue \$16.277 Billion



Special Funds and Districts
\$2.926 Billion
18%

Locally Generated Revenue
\$3.473 Billion
21%

Other
\$2.192 Billion
13%



Federal Assistance
\$4.174 Billion
26%

State Assistance
\$3.512 Billion
22%



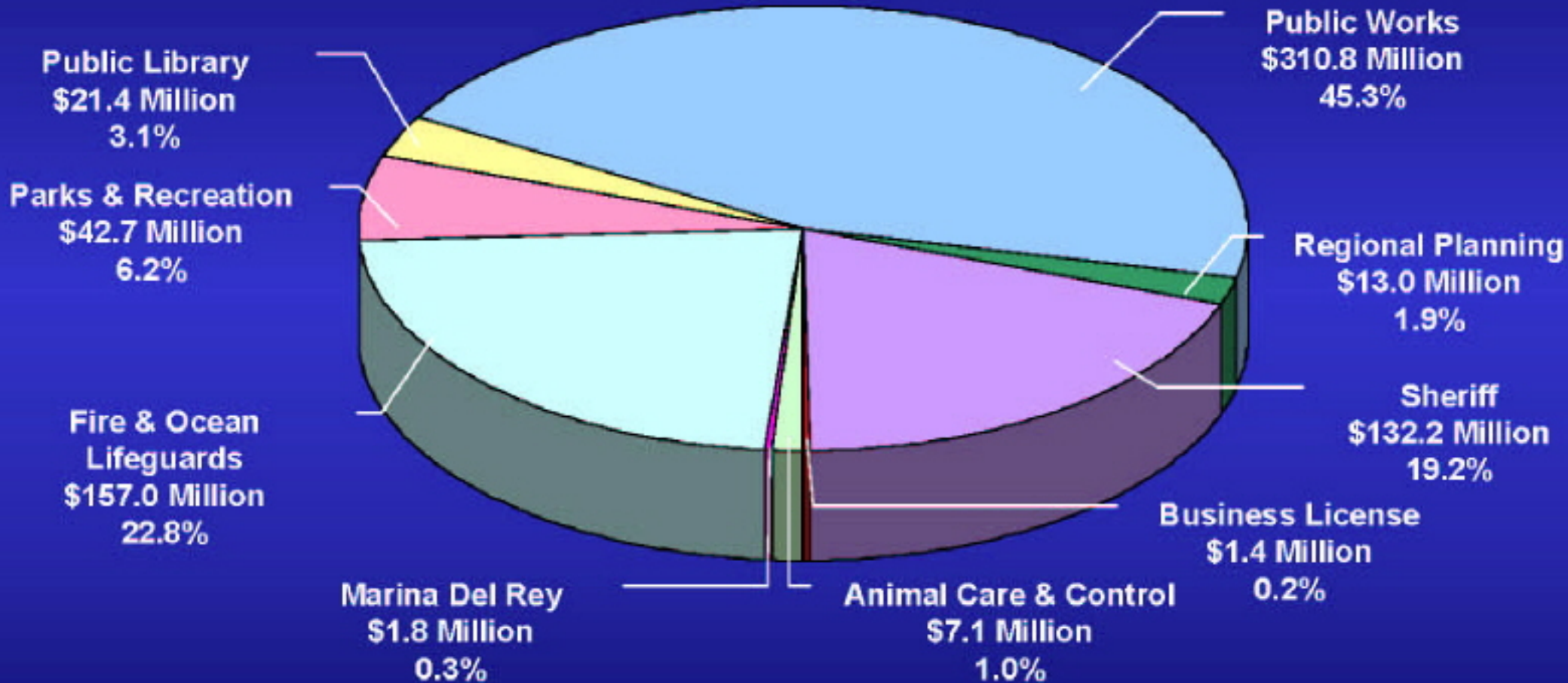
Unincorporated Area Strategic Plan



- **Adopted by the Board of Supervisors on July 3, 2001**
- **Represents the collaborative efforts of County departments, commissions, and Board Offices**
- **Utilizes a strategic planning model approach to introduce service delivery enhancements for unincorporated communities**
- **Pilot programs, based on the strategic planning models, are being implemented in various County unincorporated communities**



Unincorporated Area \$687.4 Million *



* Gross Appropriation