



FY 2025-2026

# BUDGET SUMMARY





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## Dear Members of the City Council,

I present to you and the people of Los Angeles a summary of the balanced budget proposal for the fiscal year that spans July 1, 2025 - June 30, 2026. The Proposed Budget contains fundamental changes to the way the City operates, including common sense consolidations of related departments. This summary includes additional information and important clarifications regarding the Proposed Budget, which was released last week. We must become more efficient and effective in delivering core services. Together, we must create long-term budget stability for our City while providing the services on which Angelenos rely.

Our budget situation is critical. Downward economic trends have driven City revenues far lower than previously projected. Furthermore:

- ◆ The wildfires in the Palisades have increased costs related to emergency response and recovery, while lost homes and businesses and other disaster-related negative economic impacts will decrease property tax and other tax revenues.
- ◆ Liability payments have tripled.
- ◆ Turmoil and uncertainty in Washington, downward national economic trends, volatile stock markets and continued post-pandemic impacts related to tourism and other factors cause extreme budget uncertainty.

Despite these challenges, this budget reflects our commitment to facing the city's toughest challenges:

- ◆ The devastating wildfire in the Palisades shows that our emergency services must be prepared for any and all disasters.



- ◆ We will continue urgent investments in a comprehensive approach to address homelessness by bringing people inside from tents and RVs while simultaneously lowering the cost of housing and preventing Angelenos from falling into homelessness in the first place. The latest numbers show a drop in homelessness in Los Angeles for the first time in years.
- ◆ Building on our efforts to drive significant reductions in both violent crime and property crimes, this budget continues to ensure that we are keeping Angelenos safe and disrupting cycles of violence.

Despite our greatest efforts, this budget contains proposed layoffs. Know that I, like you, do not want to lay our city workers off. They are our greatest asset – which is why I will continue working day and night to find alternative solutions. I hope to work closely with you, our partners in labor, and our State partners to advocate for more resources and manage increasing liabilities.

As we continue this work, we should not accept short-term fixes that cause long-term harm. We cannot and should not find ourselves back here next year.

Thank you for your ongoing partnership.

In partnership,

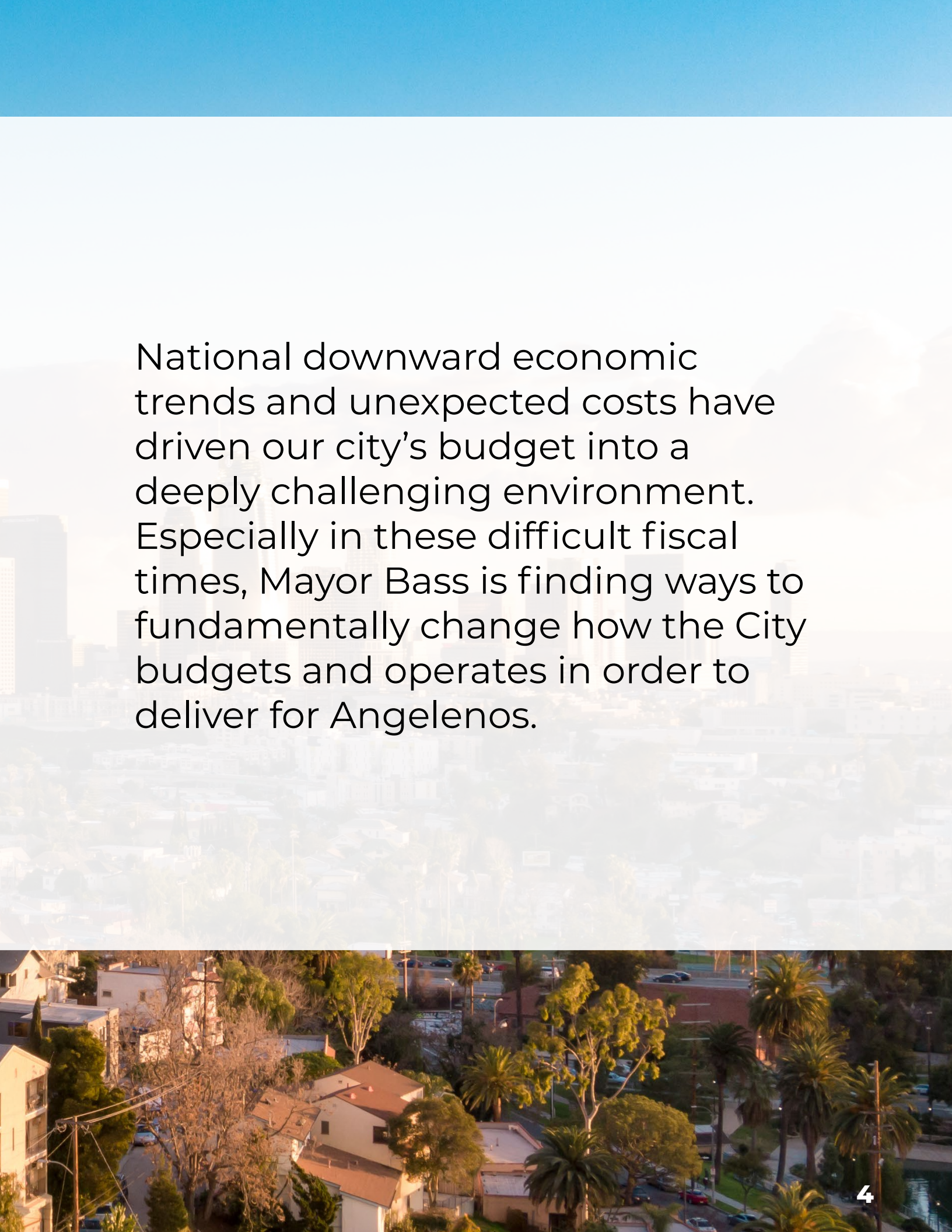
A handwritten signature in black ink that reads "Karen Bass". The signature is fluid and cursive.

Mayor Karen Bass



# **MAKING STRATEGIC PLANS FOR THE FUTURE**



An aerial photograph of Los Angeles, California, showing a dense urban landscape with numerous palm trees and residential buildings. The image is partially obscured by a semi-transparent white rectangular box that contains text. The top of the image shows a clear blue sky, while the bottom shows more detailed views of the city's infrastructure and greenery.

National downward economic trends and unexpected costs have driven our city's budget into a deeply challenging environment. Especially in these difficult fiscal times, Mayor Bass is finding ways to fundamentally change how the City budgets and operates in order to deliver for Angelenos.



## **MANAGING RISK TO PREVENT COSTLY LIABILITY PAYOUTS**

Skyrocketing liability payments from legal settlements involving City employees and infrastructure have created extreme unexpected costs – this year the City is expected to pay out more than \$300 million to plaintiffs.

In line with nationwide trends, these rising costs were exacerbated by inflation and the delaying of cases during the pandemic, which meant that numerous lawsuits were settled in the same time period.

Mayor Bass rejects this as a new status quo, and will work with the City Attorney and State partners to find ways to manage increasing liabilities.

# DEPARTMENT CONSOLIDATION FOR EFFICIENCIES & IMPROVED SERVICE OUTCOMES

Of the 42 City Departments that currently exist, 23 were created through the City Charter and 19 were established through the adoption of City Ordinances. Five were created in just the last ten years. Mayor Bass is taking action to address overlapping functions and responsibilities among departments.

This budget consolidates the Departments of Aging, Economic and Workforce Development (EWDD), and Youth Development (YDD), under the Community and Family Investment Department (CIFD).

Currently, outcomes for the various programs are not strategically aligned, and instead operate in silos that result in duplication of efforts, reduced efficiencies and missed opportunities for local businesses, residents and job seekers.

Going forward, a consolidated service model offers the new CIFD better opportunities to deliver comprehensive services that are strategically aligned to result in improved service outcomes for youth, families, older adults and local businesses.

As the Mayor said in her State of the City address: “We can balance this year’s budget and create a foundation for long-lasting and long-overdue fiscal stability. I will make sure the city does its part. I want to be clear – the departmental changes contained in this budget proposal must only be the beginning. Because we must have fundamental change – starting now and moving forward.”



# RESTRUCTURING COMMISSIONS TO REDUCE BURDEN ON CITY STAFF

Similar to her approach to restructuring City departments, Mayor Bass is comprehensively assessing the City's more than 50 Commissions to begin eliminating overlapping responsibilities and identify opportunities to better deploy City staff currently assigned to support Commissions.

This Proposed Budget for 2025-26 starts this work by:

- ◆ Consolidating: a) the Commission for Community and Family Services, with the Community Action Board; and, b) the Affordable Housing Commission under the Rent Adjustment Commission.
- ◆ Eliminating: a) the Innovation & Performance Commission; and, b) the Climate Emergency Mobilization Commission.

## OTHER ACTIONS

The Mayor's Office will not receive three cost of living adjustments – in June 2025, December 2025 and June 2026.










# **REDUCING HOMELESSNESS**





With Mayor Bass turning away from the old way of doing things, and with leadership and partnership from the City Council, homelessness in L.A. declined for the first time in years.

Mayor Bass has moved with unprecedented urgency to get people off the street, and the 2025-26 Proposed Budget is designed to ensure L.A. keeps making progress. Mayor Bass declared a state of emergency on her first day in Office, launched Inside Safe to immediately address encampments to move people inside, along with innovative initiatives to prevent homelessness, rapidly acquire existing housing and accelerate homeless and affordable housing construction.

With Mayor Bass turning away from the old way of doing things, and with leadership and partnership from the City Council, homelessness in LA declined for the first time in years, including a 10% reduction in street homelessness and a 38% reduction in tents and makeshift shelters. The number of people who moved into permanent housing is at an all time high, and homelessness has dropped in Los Angeles for the first time in years.



This Proposed Budget for 2025-26 continues bringing unhoused Angelenos Inside Safe and ensures that no one who is staying in interim housing must be turned back out to the streets for lack of funding. Furthermore, Mayor Bass' team ensured that Inside Safe services and housing are eligible for County reimbursements through the LA Alliance settlement; Mayor Bass has directed the CAO and relevant departments to aggressively pursue cost reimbursements wherever possible.





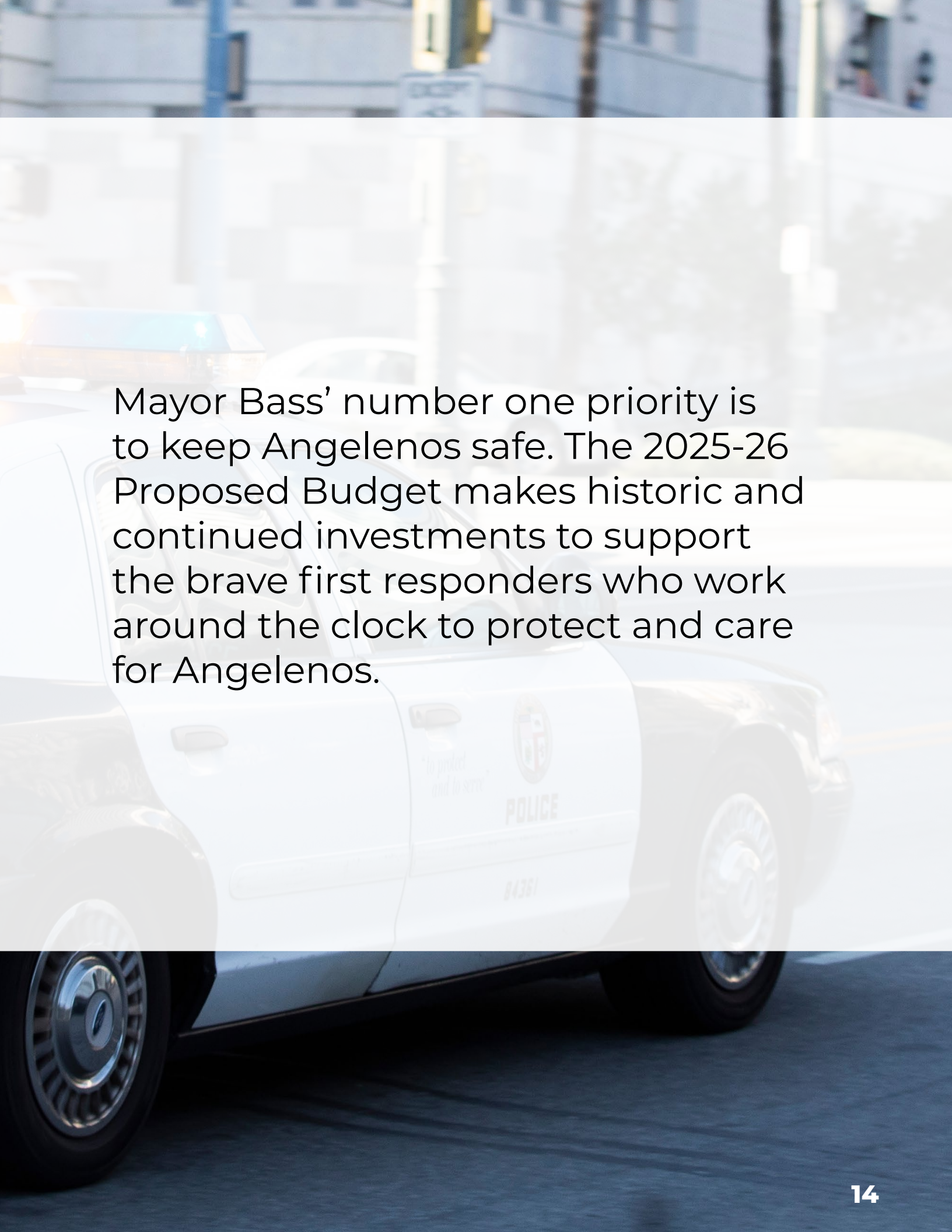
Funding is also continued for thousands of interim housing units including Tiny Homes, A Bridge Home sites, Project Homekey and others. Funding for these solutions is drawn from the Homeless Housing, Assistance and Prevention (HHAP) Grant, Measure A, General Fund and other revenue sources. Funding is also continued for street medicine services to the unhoused, which reduces the burden on public safety personnel and provides medical intervention to the most vulnerable people in Los Angeles.

Tent encampments have come down in every Council District, dangerous illegal recreational vehicles (RVs) have been taken off the street and thousands more Angelenos came inside than in 2022 thanks to the action of locking arms with the City Council, City Departments, County, LAHSA and service providers.



# **KEEPING ANGELENOS SAFE**





Mayor Bass' number one priority is to keep Angelenos safe. The 2025-26 Proposed Budget makes historic and continued investments to support the brave first responders who work around the clock to protect and care for Angelenos.

# DECREASING WAIT TIMES

The Proposed Budget makes strategic investments to accelerate response times by expanding the Fire Department's fleet of Advanced Provider Response Units (APRUs) and Fast Response Vehicles (FRVs). The budget adds additional firefighter positions to staff APRUs and FRVs and EMS Advanced Providers to staff APRUs. This funding will help expand the APRU program from providing 10 hour coverage 4 days a week to 12 hour coverage 7 days a week. Deploying these types of resources frees up fire engines and rescue ambulances that would otherwise respond to their calls. APRUs also solve medical problems in the field without the need to transport a patient to the hospital, further reducing the burden on ambulances and emergency rooms.





# LAFD VEHICLE FLEET & MAINTENANCE

This Proposed Budget allocates funding for the purchase of new and replacement apparatus including ambulances, ladder trucks, brush patrol vehicles, a helicopter and other vehicles. The budget funds more than 50 positions to support LAFD's fleet vehicles, including equipment mechanics, senior and heavy duty equipment mechanics and support staff.



## MORE PARAMEDICS

Medical calls represent the overwhelming majority of Fire Department 911 calls. The Proposed Budget builds on paramedic investments made in Mayor Bass' budget last year with additional funding to hire 25 additional paramedics. In addition, the Mayor's budget increased the amount of funding for firefighters to attend paramedic school, doubling the number of seats for firefighters to receive this training.



## ADMINISTRATIVE SUPPORT

To improve efficiency, the Proposed Budget supports aligning the LAFD payroll system with the City's new Human Resources Payroll system by funding new positions so we can ensure accurate payments for our brave firefighters and reducing the burden on staff who are assigned to other responsibilities.



# WILDFIRE MANAGEMENT AND SUPPRESSION

The Proposed Budget continues support for wildfire suppression and wildland fuel management through various initiatives such as the paid Hand Crew civilian program, reimbursable mutual aid sworn overtime and staffing resources for Air Operations support.







## RETAINING DEDICATED LAPD OFFICERS

All sworn officer positions are preserved, including 530 positions of officers anticipated to retire or depart the department. This anticipated number of officers leaving the department is 120 officers less than typical years, indicating success in keeping officers in the department following Mayor Bass' target efforts to retain officers. The Proposed Budget assumes that the size of the police department will be at 8,639 officers by the end of the 2024-25 fiscal year.

## RECRUITING THE NEXT GENERATION OF OFFICERS

LAPD recently reported a four-year high in new applications as of November 2024. Recruitment is a top priority for Mayor Bass as she remains committed to the safety of all Angelenos. The Proposed Budget allocates funding for new officer classes of up to 40 cadets.

# EMERGENCY PREPAREDNESS

It is always essential that Los Angeles is prepared for the unexpected, and with major events including the World Cup and the 2028 Olympic and Paralympic games soon upon us, this budget preserves all positions within the Emergency Management Department.




## SECURING 911 DISPATCHERS TO ANSWER DURING CRISIS

Last year, the City hired more than 140 additional 911 dispatchers. The Proposed Budget continues this increased level of staffing, with full funding for 691 dispatchers (Police Service Representatives) and supervisors to handle emergency calls.





# **ENSURING COMMUNITY SAFETY**



Los Angeles is taking a new comprehensive approach to safety and is delivering results, reducing both violent and property crimes in 2024, including homicides decreasing by 14%, gang-related homicides in communities most impacted dropping by 45%, and the number of shooting victims falling by 19%. Preventing crime before it happens and investing in communities with safe recreation and engagement activities continues to make a real difference.



# COMMUNITY SAFETY & GANG REDUCTION AND YOUTH DEVELOPMENT

Mayor Bass established the Mayor's Office of Community Safety to prevent crime through community-led approaches to increase safety and wellbeing. In 2024, the Office served thousands of Gang Reduction and Youth Development participants through prevention and intervention. Preventing crime before it happens is a proven strategy to make L.A. safer.

The Proposed Budget allocates \$39 million in funding for the Gang Reduction and Youth Development Program (GRYD), a \$2 million cut that the Mayor hopes to make up for with private philanthropic donations. In communities where the GRYD program is implemented, LAPD has reported a reduction of 44% in homicides. This underscores the powerful impact of community involvement in enhancing safety and fostering a more secure environment for all.



## ALTERNATIVE RESPONSE

Last summer, the Mayor's Office of Community Safety coordinated the Summer Night Lights (SNL) program through partnerships with City departments, Council District Offices and community-based organizations to employ 500 youth and young adults to provide recreation activities, art and cultural programming. GRYD agencies brokered dozens of Non-Aggression Agreements to ensure safety at SNL sites and in the community. In 2024, SNL had more than 100,000 participants.



## INVESTING IN ALTERNATIVE SOLUTIONS

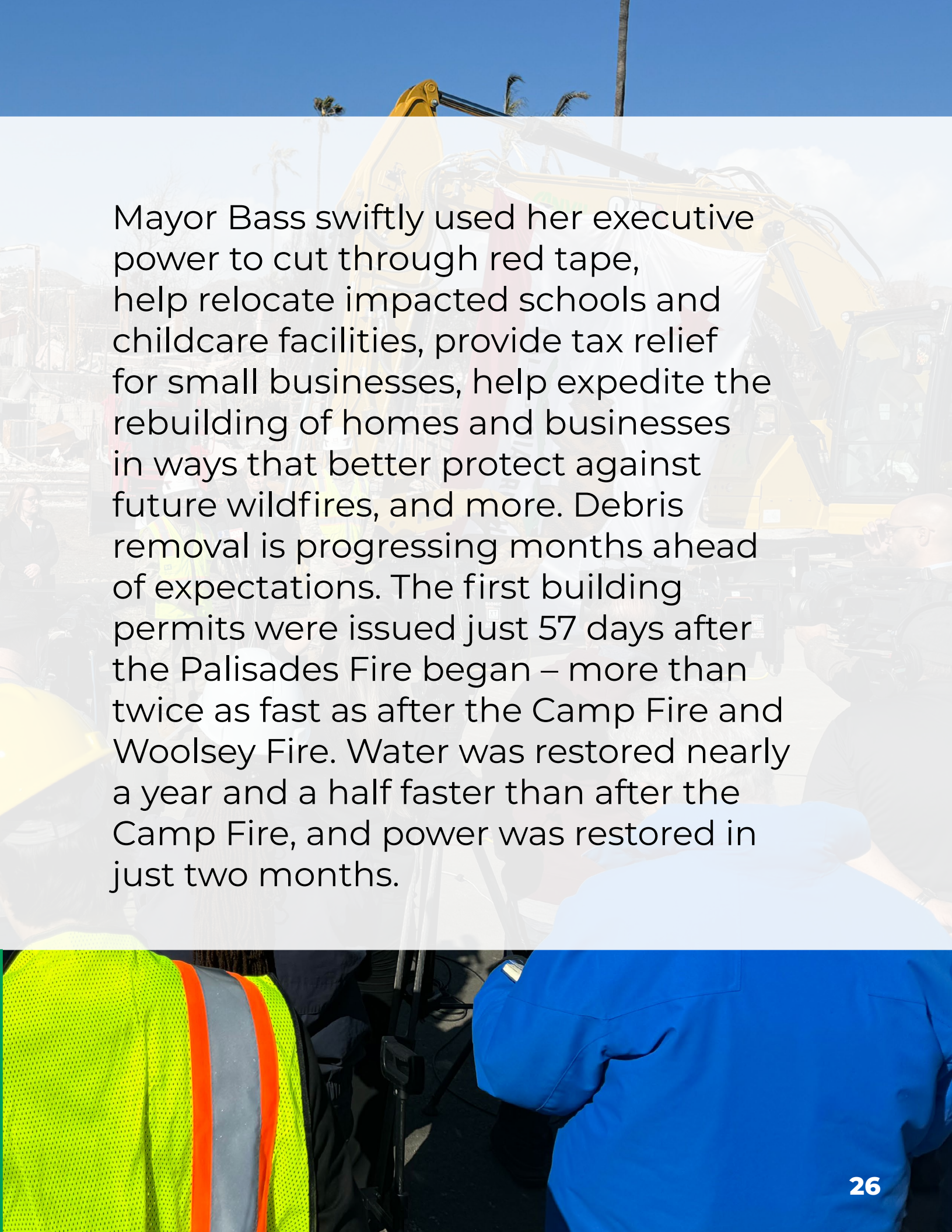
Mayor Bass is committed to keeping Angelenos safe through a comprehensive public safety strategy that effectively addresses crime. The Proposed Budget also includes \$9.4 million in funding to continue investing in the Unarmed Model of Crisis Response. The program deploys trained behavioral health teams to 911 calls for service, freeing up officers to address violent crimes.

The Proposed Budget also continues funding for CIRCLE, a 24/7 proven unarmed response program that deploys a team of mental health workers to address non-violent LAPD calls related to unhoused individuals experiencing a crisis. Through this public health approach, the City is able to improve community safety and outcomes for Angelenos in need of social services and support. In the last fiscal year, more than 15,000 incidents were diverted to CIRCLE. CIRCLE teams have also reversed opioid-related overdoses, placed hundreds of individuals into interim housing, reconnected individuals back to their families, obtained permanent supportive housing placements, assisted more than 1,600 individuals in obtaining vital documents such as identification and social security cards, and referred individuals to mental and behavioral health services.





# **RECOVERING FROM THE WILDFIRES**



Mayor Bass swiftly used her executive power to cut through red tape, help relocate impacted schools and childcare facilities, provide tax relief for small businesses, help expedite the rebuilding of homes and businesses in ways that better protect against future wildfires, and more. Debris removal is progressing months ahead of expectations. The first building permits were issued just 57 days after the Palisades Fire began – more than twice as fast as after the Camp Fire and Woolsey Fire. Water was restored nearly a year and a half faster than after the Camp Fire, and power was restored in just two months.



Mayor Bass is leading what is on track to be the fastest disaster recovery effort in modern California history. Rebuilding the Palisades is a top priority and the Mayor will not stop until all Angelenos can return home.

## CONTINUING TO REBUILD AT RECORD PACE

Mayor Bass directed City departments to review rebuilding permits in no more than 30 days. Staff are currently averaging a review time of 6 days. The Proposed Budget funds vital positions to continue accelerating the rebuild in the Pacific Palisades.



## COORDINATING WITH FEMA AND REBUILDING INFRASTRUCTURE

Two new positions are being created for Federal Emergency Management Agency (FEMA) engagement and coordination with the Department of Water and Power (DWP) to rebuild utility infrastructure. These positions are expected to be eligible for full cost recovery through FEMA reimbursement.



# REBUILDING & HARDENING INFRASTRUCTURE


The Proposed Budget allocates \$14.7 million to wildfire recovery erosion control and debris removal in the Pacific Palisades, which includes maintaining sidewalks and roads and protecting the safety of the public rights-of-way access for residents. Street signs and signals destroyed during the wildfire are included and have been identified as FEMA reimbursable costs.





# **DELIVERING CITY SERVICES**

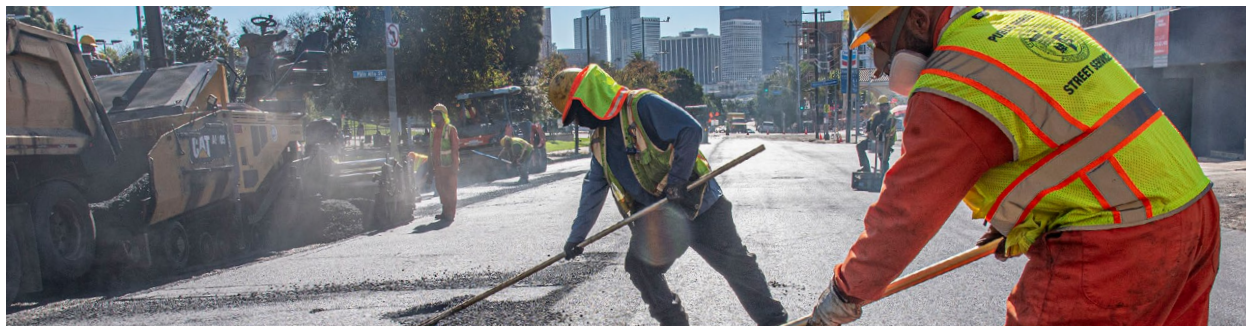




Mayor Bass has worked to improve Los Angeles' infrastructure and delivery of services by focusing on repairing streets, cleaning parks, enhancing infrastructure projects and City services since taking office. She has prioritized cleanliness and beautification of neighborhoods while improving the customer experience through a new and modernized 311 system.



Under Mayor Bass' leadership, the City is implementing its first comprehensive Capital Infrastructure Plan to coordinate the completion of infrastructure more efficiently and at less cost. In the face of downward economic trends, this proposal preserves as many positions as possible. The City will pursue solutions to restore services and funding for infrastructure and maintenance needs, including opportunities to find new revenue sources.



## **SERVICE PRESERVATION & WORKFORCE RETENTION FOR PUBLIC WORKS CREWS**

To reduce layoffs of our public works crews who support our physical infrastructure and require years of training to acquire advanced skills, these personnel are being shifted to various Special Fund sources and increasing the utilization of our mutual agreements with the City's Proprietary Departments. While these measures will enable the City to retain more of its existing workers, this will also reduce their capacity to conduct their regular work in the upcoming fiscal year.

## **MAINTAINING SAFE, SMOOTH ROADS**

In the current fiscal year, the Bureau of Street Services is on pace to fill more than 55,000 potholes as it repairs and maintains the city's 23,000 lane miles of streets. The Proposed Budget allows for crews to continue maintaining streets, repairing potholes and also prioritizing the backlog of curb ramp installations that have compounded over many years. Due to the budget deficit, the wait times will be longer and the number of fixes will be fewer than in previous years. Our Bureau of Streets Services will also be working with the Los Angeles Department of Water and Power to better preserve the existing pavement.



# MANAGING L.A.'S STREETLIGHTING NETWORK

Mayor Bass has been taking urgent action to restore lights in communities that have gone dark for too long, including deployment of new solar street lights. Much of the Bureau of Street Lighting's funding comes from assessments on property owners that have not been reviewed since 1995. Accordingly, the Proposed Budget calls for an updated citywide streetlighting assessment.



# ADDRESSING ILLEGAL DUMPING

The Proposed Budget funds 16 Illegal Dumping teams who will work throughout the City to address unwanted debris on our streets as Mayor Bass works to make our neighborhoods cleaner and more welcoming for everyone. Operations will shift from 7 days per week to 5 days per week.



# KEEPING STUDENTS AND FAMILIES SAFE NEAR SCHOOLS

The Proposed Budget continues the successful Crossing Guard Program to keep students safe to and from school. The City installed more than 250 speed humps and established hundreds of School Slow Zones near schools over the last two years and will continue to prioritize street safety for students and their families.



## LEGAL SERVICES

The Mayor's Office and the Community Investment for Families Department are working on a solution to maintain the critical services for LA residents that will not incur a General Fund expense. It is critical that the City continues to offer vital legal aid and looks forward to communicating with the Council in the coming days with a proposal to continue funding legal services.



# SUPPORTING THE L.A. ZOO

To partially offset rising costs, the Zoo's admission fees will increase by \$5 – the first increase to ticket prices in six years. This increase will support staff, including Animal Keepers and Veterinarians, dedicated to ensuring the care and wellbeing of the Zoo's diverse species of animals.

The Proposed Budget also makes investments above the capital repair and upgrades that were funded in the 2024-25 Adopted Budget.



## ANIMAL SERVICES

The Proposed Budget contains funding for the department in two different areas – in the departmental budget but also an additional \$5 million in what's called the “unappropriated balance” which would ensure that no shelters close. Mayor Bass has recommended to the City Council that they move to use the funding we identified in the unappropriated balance for the Animal Services Department and the City Council Committee that oversees the budget process recently took steps to accept that recommendation.

In the main section of the Animal Services budget, additional funding is provided for a new South LA facility manager which will help pilot future realignments planned for critical functions that will more effectively support: animal health, welfare and lifesaving; optimized safety within the shelter facilities and for the public at large; and, increased responsiveness to community needs.

The Los Angeles Animal Services Department has been facing an overcrowding crisis for years and the Mayor is working to create new strategies, maximize partnerships and resources that rebuild trust within the department, increase safety for staff and volunteers, and create a more humane environment for the animals in its care.

# FUNDING OUR LIBRARIES

The Proposed Budget provides the Library with its full annual funding entitlement, as defined within the City Charter. This funding supports the operation of the City's Central Library and its 72 branch libraries at full capacity.





# RECREATION AND PARKS

The Proposed Budget provides capital funding to renovate and build new facilities under the Recreational and Cultural Facilities Program (RCFP), which highly leveraged Special Funds and grant monies, with General Fund offsets used to resolve any remaining funding shortfalls.

For the upcoming fiscal year, as the Proposition K program approaches its sunset in 2027-28, capital investments are provided to move forward with implementation of remaining projects that include:

- ◆ Balboa Aquatic Center - construct a new aquatic facility in the Sepulveda Basin
- ◆ Manchester Junior Arts Center - renovate City facility into new junior arts center
- ◆ Reseda Skate facility - construct a new skate park in Reseda
- ◆ Slauson Connect - construct a new recreation center and outdoor green space



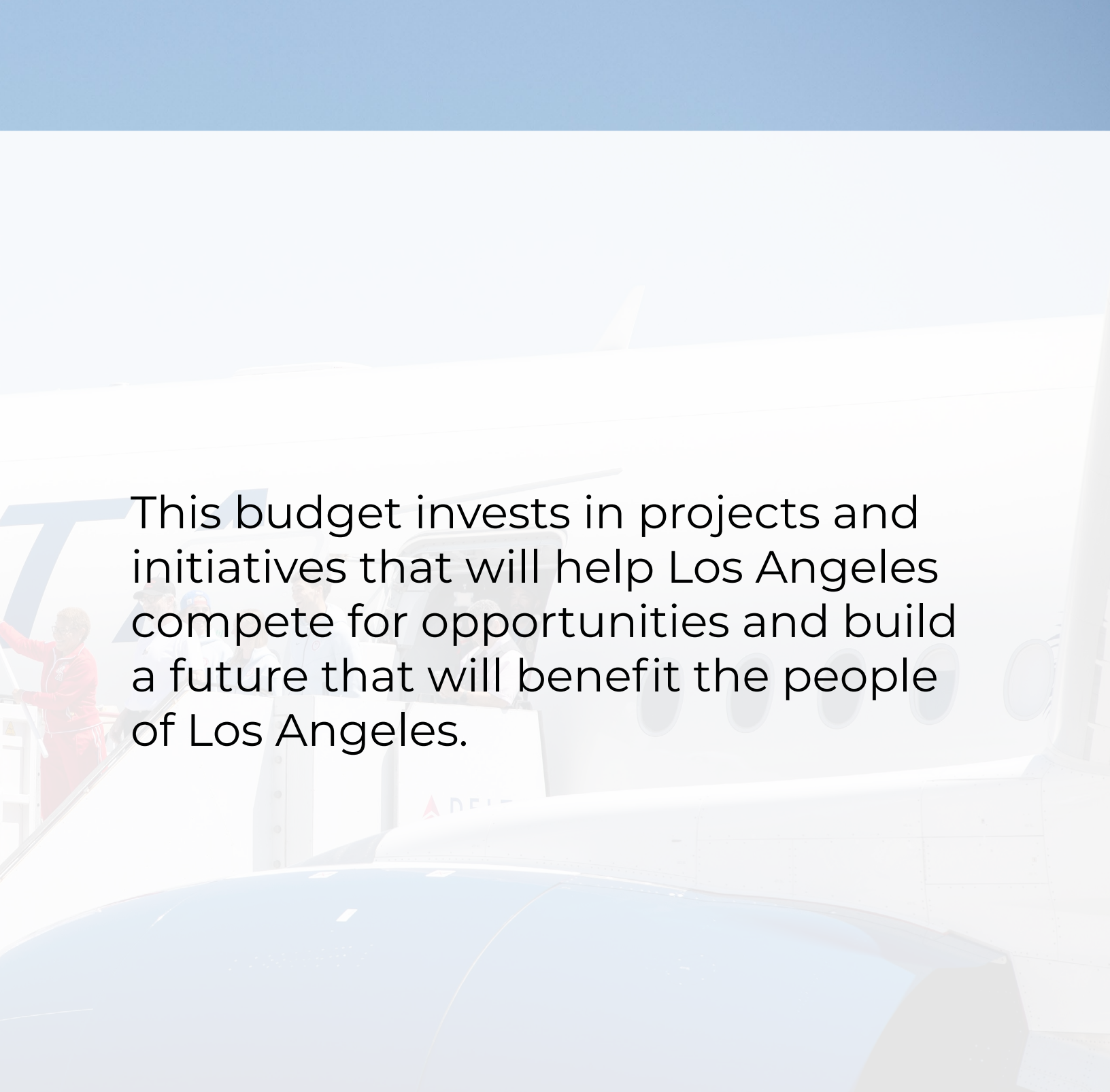
# REPAIRING SIDEWALKS

The Proposed Budget continues to invest in accessibility in the public rights-of-way, providing \$35 million to make sidewalk improvements and curb ramps. These projects will also be coordinated in the long-run through the Capital Infrastructure Plan.

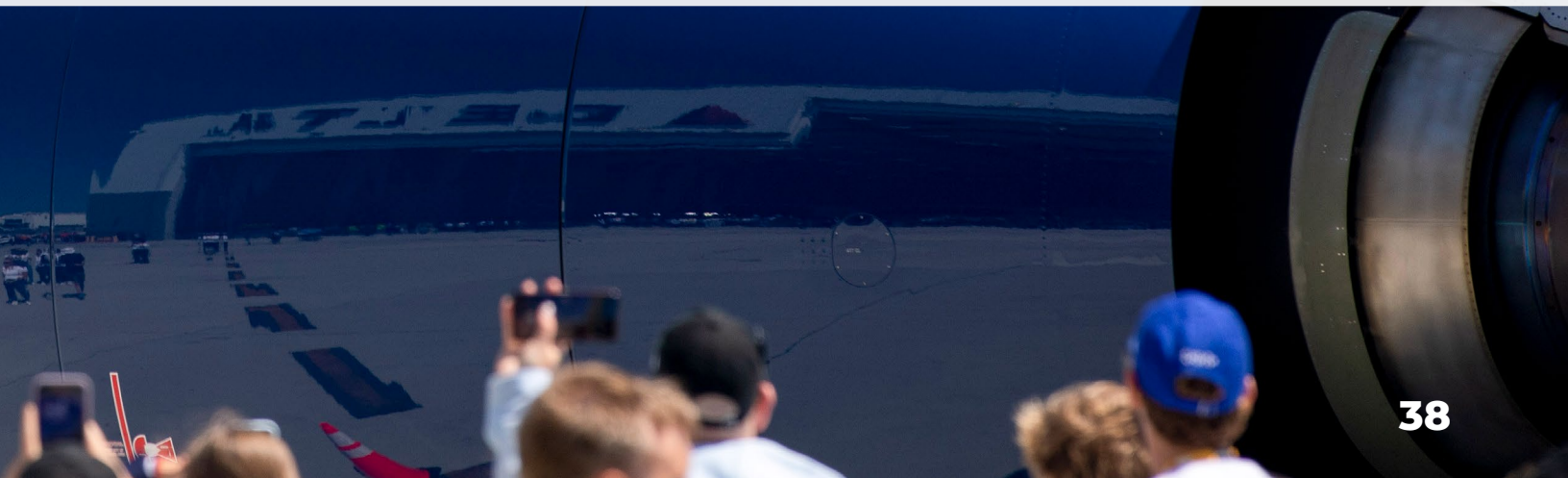


# **CREATING OPPORTUNITY AND PREPARING FOR L.A.'S FUTURE**



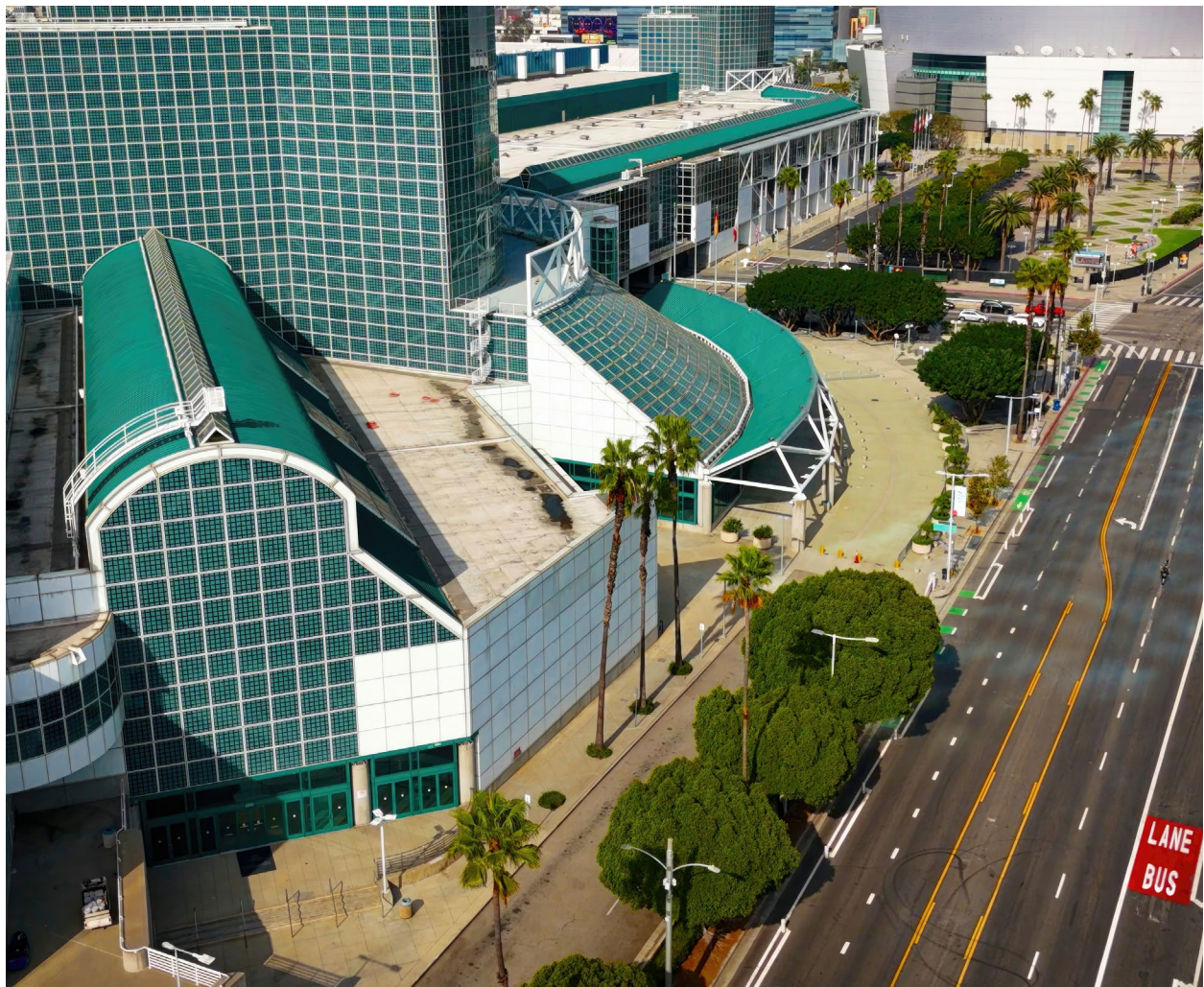
A large white commercial airplane is shown from a low angle, with its boarding stairs extended. Several people are visible on the stairs and near the aircraft. The background is a clear blue sky.

This budget invests in projects and initiatives that will help Los Angeles compete for opportunities and build a future that will benefit the people of Los Angeles.



# MODERNIZING AND EXPANDING THE LA CONVENTION CENTER

The largest conventions in the nation meet in just 20 destinations – and LA is not among them due to our limited contiguous meeting space and the age of our facility. At present, Los Angeles is tied with Kansas City in 21st place among its competitive set. Modernizing and expanding LA City’s Convention Center will drive an economic ripple from Downtown throughout the city by bringing more travelers to LA to spend money in restaurants, hotels, stores and attractions while creating thousands of jobs. Staffing is continued at current levels for essential preparations for this vital economic development project and funding within the 2025-26 Capital and Technology Improvement Expenditure Program (CTIEP) budget are included.





# PREPARING FOR GLOBAL EVENTS

Under the leadership of Council President Emeritus and Executive Director of the Office of Major Events Paul Krekorian, the City is taking focused action to prepare to welcome the world to the 2026 FIFA World Cup and the 2028 Olympic and Paralympic Games. The Proposed Budget includes funding to ensure we are prepared for these global events while maximizing their benefits for Angelenos, including key mobility and infrastructure investments, active youth sports programs, and generation of vital economic opportunity through local small business utilization and creation of local jobs.

To this end, the Proposed Budget includes key Games legacy projects like the Sepulveda Basin Mobility Plan. This permanent project will make it easier and safer for people to access the Sepulveda Basin Recreation Area, which is set to host five different sports for the 2028 Games. The Mayor's fundamental priority for these projects, exemplified by the Sepulveda Basin Mobility Plan, is that the entire region benefits from the Games for generations to come.



# BUILDING A GREENER CITY

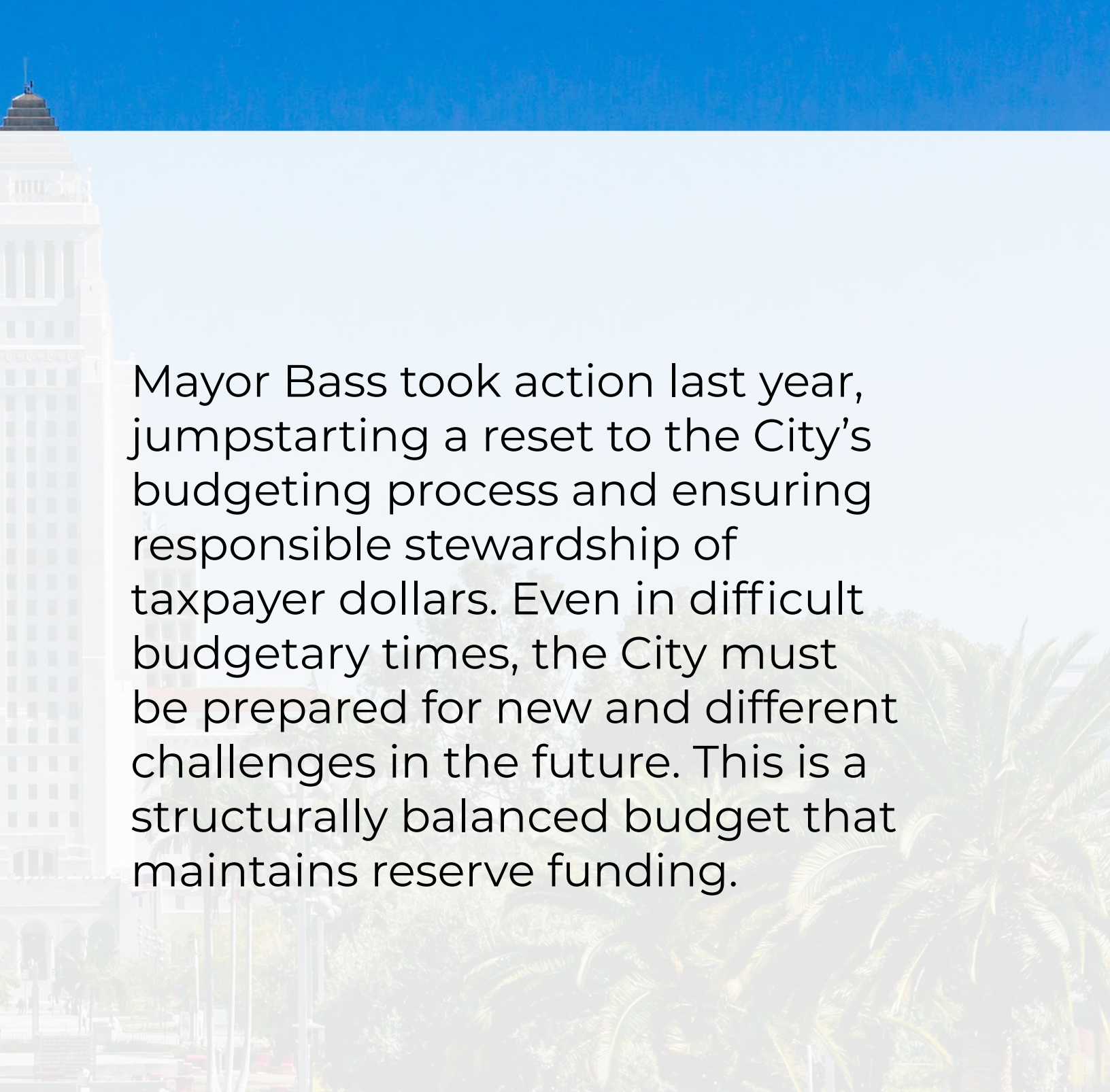
Los Angeles continues to work toward a more sustainable city that is safe and healthy for future generations. Climate priorities will continue as a core responsibility of every department that assists Angelenos with the impacts of climate change, with the Mayor's Climate Cabinet comprising of key departments and 10 technical working groups playing a leading role. This includes an Extreme Heat working group comprised of a number of departments tackling the challenge of increasing heat in Los Angeles.

Funding is also provided for new EV charging infrastructure for City fleets in City facilities, the electrification of and at City-owned public parking lots. Los Angeles has the most EV charging stations in the country. Nearly 17,000 EV chargers have been installed over the past two years, a 86% increase in the City's available charging infrastructure since Mayor Bass took office.



# **RESPONSIBLE AND TRANSPARENT GOVERNMENT**





Mayor Bass took action last year, jumpstarting a reset to the City's budgeting process and ensuring responsible stewardship of taxpayer dollars. Even in difficult budgetary times, the City must be prepared for new and different challenges in the future. This is a structurally balanced budget that maintains reserve funding.





# WORKFORCE RETENTION AND PRESERVATION OF FINANCIAL AND INTERNAL SERVICES

As part of the investment strategy to support citywide financial functions and protect the City from legal liabilities including high settlement payouts, no positions were eliminated within the Offices of the Controller and City Attorney. To avoid adverse impact to revenue collections, position reductions for the Office of Finance were limited to only vacant positions. However, due to the magnitude of needs, only the most critical technology and system upgrades could be addressed within the funding capacity available for 2025-26, using phasing options where viable, until future funding can be secured to address remaining needs.

Continuing investments to address capital repairs and deferred maintenance at City facilities is funded as part of the Capital and Technology Improvement Expenditure Program (CTIEP), to ensure City staff operate in safe working conditions to avoid associated liabilities.





# MAINTAINING RESERVES

Maintaining reserves is an intentional decision to prepare for the potential for a future recession or other unknowns in the new fiscal year and to protect reserves which bond ratings agencies are closely monitoring. This budget maintains a 6% Reserve, above the 5% required by City policy to shore up fiscal standing, and leaves over \$200 million in the Budget Stabilization Fund.



# TRANSPARENCY, ACCOUNTABILITY & JUSTICE IN LOCAL GOVERNMENT

As directed by the voter-approved Ballot Measure ER, the 2025-26 Proposed Budget will also continue to fund the Ethics Commission and guarantees its budget at \$7 million to support the City maintaining its ethical practices. The Proposed Budget also increases the funding for a Special Prosecutor from \$250,000 to \$500,000.





# **ADDENDUM A**



KAREN BASS  
MAYOR

April 30, 2025

The Honorable Katy Yaroslavsky  
Chairperson, Budget and Finance Committee  
200 N Spring Street, Suite 440

Dear Chairperson Yaroslavsky:

As your Committee is beginning its consideration of my Proposed Budget for 2025-26, I wanted to take a moment to clear up some questions raised around certain elements of the Proposed Budget, make recommendations for your Committee's consideration and offer ongoing support as you consider options to pass a balanced budget for FY 2025-26 that leads the City closer to greater efficiency and more structurally balanced budgets in future years.

After considering several of the comments that have been offered in your Committee so far, I hope to address several issues that have been mentioned:

### **Animal Services Department**

There has been confusion regarding funding for the Animal Services Department in my Proposed Budget. My budget contains funding for the department in two different areas – in the departmental budget but also an additional \$5 million in what's called the "unappropriated balance". Combined, this means all 6 shelters will be able to stay open. We understand the need to continue operating all City shelters and I thank you and your Committee for already taking action to allocate this funding for its intended purpose and to avoid the closure of any shelters.



### **Consolidation of the Aging, Economic and Workforce Development, and Youth Development Departments into the Community Investment for Families Department**

Some have expressed concern that the programs and services that they rely upon from the departments that will be consolidated into the Community Investment for Families Department will suffer from the consolidation. My Proposed Budget proposes the consolidation of those departments for the expressed purpose of strengthening them. Each department provides services with duplication of staffing roles and responsibilities. By consolidating the departments into one department, we anticipate saving at least \$5 million and the program participants will be better served by the operational efficiencies and the reduction of silos. Acting to make these structural changes at this time will enable the consolidated Department to be more adaptive to future changes in service needs or available funding sources.

### **Child Care Centers**

There is funding to continue operating the child care centers through the new year, when an RFP is expected to be completed to transfer the child care operations. The Department has been in communication with parents to keep them updated with available information and has communicated that there is no plan to displace families at these facilities. The Department does not anticipate any disruption in service. The Department is planning to issue the RFP by June and expects to have completed the selection process by December 31, 2025.

**Legal Services**

The Mayor's Office and the Community Investment for Families Department are working on a solution to maintain the critical services for LA residents that will not incur a General Fund expense. I know how critical it is that the City continues to offer vital legal aid and look forward to communicating with the Council a proposal to continue funding legal services.

**Planning Department**

The department proposed adjustments to several fees to help offset some of their layoffs that ultimately require Council deliberation and adoption, actions which had not been taken at the time of the release of the Proposed Budget. I encourage the Budget and Finance Committee to engage with the Planning Department in considering these proposals and restoring filled positions that will help the Planning Department perform its work.

**Proprietary and Special-funded Departments**

To give life to Instruction 13 in Exhibit H of the Proposed Budget, I am working with the General Managers of Airports, Harbor and Water and Power to help identify as many positions as possible in common City job classifications to find options for our public servants that may be impacted by potential layoffs. We will marshal as many of the city's resources as we can to provide options to ensure city careers in addition to options that Council may consider in its deliberations over the Proposed Budget.

**Health Commission**

On the advice of the City Attorney's Office, I am recommending that the Council strike Instruction 10 in Exhibit H.



### **LAFD Equity Bureau**

The Equity Bureau of LAFD is proposed to be consolidated into the Professional Standards Division. This places the function of promoting a safer working environment for all firefighters with the unit principally responsible for fair hearings and disciplinary matters. There is no change in our commitment to accomplishing the goal of this bureau in the LAFD.

The Mayor's Office is looking forward to working with you and the other members of the Budget and Finance Committee, and the entire City Council, to implement a balanced budget for our next fiscal year. If you have any questions or concerns about the Proposed Budget, please don't hesitate to contact Deputy Mayor Matt Hale or Budget Chief Bernyce Hollins to discuss these matters in more detail and to develop additional solutions to ensure service delivery.

Sincerely,

A handwritten signature in black ink, reading "Karen Bass". The signature is fluid and cursive, with the first name "Karen" and last name "Bass" clearly legible.

KAREN BASS

Mayor

cc: Councilmember Bob Blumenfield, Vice Chair, Budget and Finance Committee  
Councilmember Heather Hutt, Member, Budget and Finance Committee  
Councilmember Tim McOsker, Member, Budget and Finance Committee  
Councilmember Eunisses Hernandez, Member, Budget and Finance Committee  
Council President Marqueece Harris-Dawson  
Chief Legislative Analyst Sharon Tso  
City Administrative Officer Matthew W. Szabo





# **EXHIBIT A**

# EXHIBIT A

## SUMMARY OF APPROPRIATIONS

### Classified by Object of Expenditure

	Salaries	Expenses	Equipment	Special	Total
Aging	4,883,188	5,865,054	-	-	10,748,242
Animal Services	23,003,820	2,466,437	-	-	25,470,257
Building and Safety	150,225,091	2,680,442	-	-	152,905,533
Cannabis Regulation	7,257,568	1,378,132	-	-	8,635,700
City Administrative Officer	28,062,440	10,735,664	-	-	38,798,104
City Attorney	173,221,406	12,798,579	-	-	186,019,985
City Clerk	14,698,641	4,079,679	-	-	18,778,320
City Planning	49,833,212	6,535,125	92,040	-	56,460,377
City Tourism	1,754,640	72,000	-	-	1,826,640
Civil, Human Rights and Equity	3,584,688	223,775	-	-	3,808,463
Community Investment for Families	10,494,564	28,859,605	-	-	39,354,169
Controller	22,307,121	817,607	-	-	23,124,728
Council	38,368,938	918,869	-	-	39,287,807
Cultural Affairs	10,126,329	1,068,991	-	5,358,499	16,553,819
Disability	3,017,317	1,074,442	-	80,000	4,171,759
Economic and Workforce Development	18,771,717	5,580,906	-	-	24,352,623
El Pueblo de Los Angeles	1,506,958	597,416	-	-	2,104,374
Emergency Management	4,265,390	55,047	-	-	4,320,437
Employee Relations Board	447,835	65,988	-	-	513,823
Ethics Commission	6,202,329	797,671	-	-	7,000,000
Finance	36,768,307	10,123,941	-	-	46,892,248
Fire	872,257,525	51,159,641	-	-	923,417,166
General Services	127,044,086	82,418,454	120,000	6,078,219	215,660,759
Housing	93,921,534	12,602,932	-	-	106,524,466
Information Technology Agency	44,386,211	29,592,757	-	13,526,771	87,505,739
Mayor	10,329,434	399,906	-	-	10,729,340
Neighborhood Empowerment	2,899,428	229,733	-	9,000	3,138,161
Personnel	65,371,272	8,638,340	-	1,373,246	75,382,858
Police	1,860,212,019	103,702,986	23,811,038	-	1,987,726,043
Public Accountability	1,594,653	2,323,339	-	-	3,917,992
Board of Public Works	11,597,239	15,095,877	-	-	26,693,116
Bureau of Contract Administration	43,851,488	2,854,068	-	-	46,705,556
Bureau of Engineering	110,289,274	3,460,360	-	-	113,749,634
Bureau of Sanitation	375,455,267	36,149,215	-	-	411,604,482
Bureau of Street Lighting	37,808,351	5,372,226	1,000	5,347,000	48,528,577
Bureau of Street Services	111,586,332	56,628,034	377,070	-	168,591,436
Transportation	170,998,287	30,890,244	1,500,000	-	203,388,531
Youth Development	1,453,688	36,000	-	90,000	1,579,688
Zoo	22,661,053	9,143,158	-	-	31,804,211
<b>Total-Budgetary Departments</b>	<b>4,572,518,640</b>	<b>547,492,640</b>	<b>25,901,148</b>	<b>31,862,735</b>	<b>5,177,775,163</b>
Appropriations to City Employees' Retirement	-	-	-	150,558,319	150,558,319
Appropriations to Library Fund	-	-	-	269,765,136	269,765,136
Appropriations to Recreation and Parks Fund	-	-	-	298,411,651	298,411,651
<b>Total-Appropriations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>718,735,106</b>	<b>718,735,106</b>
<b>Total-Departmental</b>	<b>4,572,518,640</b>	<b>547,492,640</b>	<b>25,901,148</b>	<b>750,597,841</b>	<b>5,896,510,269</b>



# EXHIBIT A

## SUMMARY OF APPROPRIATIONS

### Classified by Object of Expenditure

	Salaries	Expenses	Equipment	Special	Total
Bond Redemption and Interest	-	-	-	115,168,623	115,168,623
Capital Finance Administration	-	-	-	200,879,816	200,879,816
Capital and Technology Improvement Expenditure Program	-	-	-	892,059,520	892,059,520
General City Purposes	-	-	-	310,198,060	310,198,060
Petroleum Products	-	43,109,595	-	-	43,109,595
Human Resources Benefits	-	-	-	950,667,548	950,667,548
Leasing	-	-	-	39,174,048	39,174,048
Liability Claims	-	-	-	187,370,072	187,370,072
Proposition A Local Transit Assistance Fund	-	-	-	312,296,035	312,296,035
Proposition C Anti-Gridlock Transit Improvement Fund	-	-	-	48,042,620	48,042,620
Special Parking Revenue Fund	-	-	-	45,302,361	45,302,361
Tax and Revenue Anticipation Notes	-	-	-	1,382,097,250	1,382,097,250
Unappropriated Balance	-	-	-	126,661,696	126,661,696
Wastewater Special Purpose Fund	-	-	-	808,890,607	808,890,607
Water and Electricity	-	-	-	51,400,000	51,400,000
Other Special Purpose Funds	-	-	-	2,540,342,518	2,540,342,518
<b>Total-Non Departmental</b>	<b>-</b>	<b>43,109,595</b>	<b>-</b>	<b>8,010,550,774</b>	<b>8,053,660,369</b>
<b>Total</b>	<b>4,572,518,640</b>	<b>590,602,235</b>	<b>25,901,148</b>	<b>8,761,148,615</b>	<b>13,950,170,638</b>

# **EXHIBIT B**

# EXHIBIT B

## BUDGET SUMMARY

### RECEIPTS

	Total	% of Total
<b>General Receipts:</b>		
Property Tax .....	\$ 2,839,082,000	20.4%
Property Tax - Ex-CRA Increment .....	167,967,000	1.2%
Utility Users Tax .....	702,520,000	5.0%
Departmental Receipts .....	1,598,021,760	11.5%
Business Tax .....	805,000,000	5.8%
Sales Tax .....	647,485,000	4.6%
Documentary Transfer Tax .....	193,702,000	1.4%
Power Revenue Transfer .....	227,943,000	1.6%
Transient Occupancy Tax .....	314,990,000	2.3%
Parking Fines .....	108,400,000	0.8%
Parking Occupancy Tax .....	141,336,000	1.0%
Franchise Income .....	143,693,000	1.0%
State Motor Vehicle License Fees .....	6,146,000	0.0%
Grants Receipts .....	45,669,000	0.3%
Tobacco Settlement .....	9,555,000	0.1%
Residential Development Tax .....	3,580,000	0.0%
Special Parking Revenue Transfer .....	22,231,951	0.2%
Interest .....	84,340,000	0.6%
<b>Total General Receipts .....</b>	<b>\$ 8,061,661,711</b>	<b>57.8%</b>
<b>Special Receipts:</b>		
Property Tax - City Levy for Bond Redemption and Interest .....	\$ 115,168,623	0.8%
Sewer Construction and Maintenance Fund .....	1,537,348,766	11.0%
Proposition A Local Transit Assistance Fund .....	193,065,988	1.4%
Prop. C Anti-Gridlock Transit Improvement Fund .....	98,639,511	0.7%
Special Parking Revenue Fund .....	36,183,049	0.3%
L. A. Convention and Visitors Bureau Fund .....	24,230,000	0.2%
Solid Waste Resources Revenue Fund .....	432,182,437	3.1%
Traffic Safety Fund .....	1,300,000	0.0%
Special Gas Tax Street Improvement Fund .....	116,135,000	0.8%
Housing Department Affordable Housing Trust Fund .....	3,248,675	0.0%
Stormwater Pollution Abatement Fund .....	30,610,000	0.2%
Community Development Trust Fund .....	22,224,517	0.2%
HOME Investment Partnerships Program Fund .....	8,596,402	0.1%
Mobile Source Air Pollution Reduction Fund .....	4,659,620	0.0%
City Employees' Retirement Fund .....	150,558,319	1.1%
Community Services Administration Grant .....	1,474,956	0.0%
Park and Recreational Sites and Facilities Fund .....	2,700,000	0.0%
Convention Center Revenue Fund .....	32,128,233	0.2%
Local Public Safety Fund .....	55,699,146	0.4%
Neighborhood Empowerment Fund .....	2,921,507	0.0%
Street Lighting Maintenance Assessment Fund .....	58,800,000	0.4%
Telecommunications and PEG Development .....	5,020,000	0.0%
Older Americans Act Fund .....	3,230,628	0.0%
Workforce Innovation Opportunity Act Fund .....	18,354,136	0.1%
Rent Stabilization Trust Fund .....	24,060,550	0.2%
Arts and Cultural Facilities and Services Fund .....	26,694,463	0.2%
Arts Development Fee Trust Fund .....	1,650,000	0.0%
City Employees Ridesharing Fund .....	4,008,000	0.0%
Allocations from Other Sources .....	64,554,695	0.5%
City Ethics Commission Fund .....	6,420,734	0.1%
Citywide Recycling Fund .....	44,500,000	0.3%
Cannabis Regulation Special Revenue Trust Fund .....	30,960,000	0.2%
Local Transportation Fund .....	3,530,176	0.0%
Planning Case Processing Revenue Fund .....	24,776,000	0.2%
Disaster Assistance Trust Fund .....	50,412,000	0.4%
Accessible Housing Fund .....	38,214,229	0.3%
Household Hazardous Waste Special Fund .....	3,670,000	0.0%
Building and Safety Enterprise Fund .....	176,998,822	1.3%



# EXHIBIT B

## BUDGET SUMMARY

### RECEIPTS

		% of
	Total	Total
Housing Opportunities for Persons with AIDS.....	973,526	0.0%
Code Enforcement Trust Fund.....	63,161,100	0.5%
El Pueblo Revenue Fund.....	5,041,115	0.0%
Zoo Enterprise Fund.....	32,054,211	0.2%
Central Recycling and Transfer Fund.....	6,035,000	0.1%
Supplemental Law Enforcement Services .....	10,568,179	0.1%
Street Damage Restoration Fee Fund.....	51,400,000	0.4%
Municipal Housing Finance Fund.....	10,851,000	0.1%
Measure R Traffic Relief and Rail Expansion Fund.....	63,703,200	0.5%
Multi-Family Bulky Item Fund.....	12,230,055	0.1%
Sidewalk Repair Fund.....	12,716,607	0.1%
Measure M Local Return Fund.....	73,125,176	0.5%
Code Compliance Fund.....	1,500,000	0.0%
Road Maintenance and Rehabilitation Fund.....	117,036,000	0.8%
Measure W Local Return Fund.....	40,594,114	0.3%
Planning Long-Range Planning Fund.....	8,195,000	0.1%
City Planning System Development Fund.....	8,751,405	0.1%
House LA Fund.....	466,160,000	3.3%
Raise LA Fund.....	5,306,584	0.0%
Total Special Receipts.....	\$ 4,444,331,454	31.9%
<b>Available Balances:</b>		
Sewer Construction and Maintenance Fund.....	\$ 247,865,145	1.8%
Proposition A Local Transit Assistance Fund.....	128,703,589	1.0%
Prop. C Anti-Gridlock Transit Improvement Fund.....	18,479,370	0.1%
Special Parking Revenue Fund.....	15,005,985	0.1%
L.A. Convention and Visitors Bureau Fund.....	4,379,159	0.0%
Solid Waste Resources Revenue Fund.....	214	0.0%
Forfeited Assets Trust Fund.....	2,964,855	0.0%
Traffic Safety Fund.....	28,585	0.0%
Special Gas Tax Fund.....	319,648	0.0%
Housing Department Affordable Housing Trust Fund.....	12,779,346	0.1%
Stormwater Pollution Abatement Fund.....	179,280	0.0%
Mobile Source Air Pollution Reduction Fund.....	2,413,098	0.0%
Convention Center Revenue Fund.....	5,000,000	0.0%
Local Public Safety Fund.....	853	0.0%
Neighborhood Empowerment Fund.....	453,985	0.0%
Street Lighting Maintenance Asmt. Fund.....	3,766,939	0.0%
Telecommunications and PEG Development.....	1,737,752	0.0%
Rent Stabilization Trust Fund.....	32,910,394	0.2%
Arts and Cultural Facilities and Services Fund.....	5,400,678	0.1%
Arts Development Fee Trust Fund.....	851,592	0.0%
City Employees Ridesharing Fund.....	4,192,343	0.0%
City Ethics Commission Fund.....	579,266	0.0%
Citywide Recycling Fund.....	17,701,993	0.1%
Cannabis Regulation Special Revenue Trust Fund.....	2,557,633	0.0%
Planning Case Processing Revenue Fund.....	126,043	0.0%
Disaster Assistance Trust Fund.....	33,470,206	0.2%
Accessible Housing Fund.....	1,212,076	0.0%
Household Hazardous Waste Special Fund.....	4,812,369	0.0%
Building and Safety Enterprise Fund.....	258,274,063	1.9%
Code Enforcement Trust Fund.....	53,604,057	0.4%
El Pueblo Revenue Fund.....	47,967	0.0%
Central Recycling and Transfer Fund.....	5,403,592	0.1%
Supplemental Law Enforcement Services Fund.....	1,114,929	0.0%
Street Damage Restoration Fee Fund.....	245,283	0.0%
Municipal Housing Finance Fund.....	15,851,504	0.1%
Measure R Traffic Relief and Rail Expansion Fund.....	11,265,854	0.1%
Multi-Family Bulky Item Fund.....	2,173,415	0.0%
Measure M Local Return Fund.....	40,796,551	0.3%

# **EXHIBIT B** **BUDGET SUMMARY**

## **RECEIPTS**

	<b>Total</b>	<b>% of Total</b>
Code Compliance Fund.....	520,439	0.0%
Road Maintenance and Rehabilitation Fund.....	47,668,006	0.4%
Measure W Local Return Fund.....	7,785,452	0.1%
Planning Long-Range Planning Fund.....	812	0.0%
City Planning System Development Fund.....	149,153	0.0%
House LA Fund.....	447,773,000	3.2%
Raise LA Fund.....	3,611,000	0.0%
<b>Total Available Balances.....</b>	<b>\$ 1,444,177,473</b>	<b>10.3%</b>
<b>Total Receipts.....</b>	<b>\$ 13,950,170,638</b>	<b>100.00%</b>













