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CITY CLERK

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April 21, 2021

Honorable Members of the  
Budget and Finance Committee  
Office of the City Clerk  
Room 395, City Hall  
Los Angeles, CA 90012

**SUBJECT: OFFICE OF THE CITY CLERK - RESPONSE TO PROPOSED FISCAL YEAR 2021-22 BUDGET**

Honorable Members:

The Office of the City Clerk thanks you for the opportunity to provide its input on the Mayor's 2021-22 Proposed Budget.

This Office understands the financial challenges facing the City following a year of diminished revenue and unanticipated expenditures and will do its part to mitigate the effects of reductions in staffing and funding on operations. However, the Department is facing significant operational challenges resulting from the Separation Incentive Program (SIP). The added work and responsibility following an increase in General City Purposes (GCP) funding and proposed contracts, as well as support for new City Departments, will exacerbate the staffing and workload imbalance.

Although this budget proposes restoration of five positions, the resulting deletion of nine out of 118 positions, and the \$347,646 reduction in salaries, will severely hamper the City Clerk's ability to provide Council and public service support, administer Business Improvement Districts (BIDs), process payroll for more than 900 employees, and administer GCP funds and contracts.

The City Clerk respectfully requests that the Budget and Finance Committee consider the following, as the 2021-22 Proposed Budget is finalized to help meet operational demands:

**A. Authorization and funding for three 120-Day Appointments to Assist with GCP Contract Administration and Processing.**

120 day- Appointments: two Management Analysts, one Accounting Clerk- \$135,000

The City's plans to reinvest former Los Angeles Police Department (LAPD) funds in disadvantaged communities through *Reimagining Public Safety* and *Homelessness Prevention* programs will result in an approximate \$56 million transfer to the GCP Fund administered by the

City Clerk, and require the drafting and administration of more than 70 contracts. The City Clerk will be unable to process these contracts in a reasonable timeframe with the current team of three Special Fund Analysts. This Office requests authorization and funding for three 120-day appointments to assist with this important and time-sensitive work. This request is based on the assumption that the funding and corresponding contracts are a one-time event and not a recurring allocation. While staff will begin working on contracts as soon as funds are allocated, it is unlikely that any contracts will be fully executed until next fiscal year. There is a significant amount of coordination required between City Clerk staff, the contractors, your respective offices and the City Attorney, in order to execute contracts. Understanding the budget constraints, this request only addresses a short-term solution. Without the addition of permanent staff, should these contracts be renewed or run into project delays past the 120-day timeframe, reimbursements and contract closeouts will be significantly delayed. Should the City Council wish to maintain a reasonable time frame in special fund processing, regular position authorities for a Management Analyst and an Accounting Clerk would need to be restored.

#### **B. Reinstatement of Positions Lost to the Separation Incentive Program (SIP)**

The Department is extremely appreciative of the five SIP positions that have been restored through the budget. The increased workload anticipated this fiscal year and next, however, will require higher staffing levels to meet the demand and this Office requests the restoration of two additional positions lost to SIP. The positions requested are as follows:

Senior Administrative Clerk \$66,786

In-person and online customer service delivery to the public, as well as City departments, will be severely impacted if this position cannot be restored. The services provided by the public counter include processing claims for refunds and damages, accepting summons on behalf of the City, attesting contracts, and assisting members of the public with questions regarding City services, information on City Council proceedings, and general inquiries in-person and over the phone. Pre-pandemic, on average, the public counter processed 800 claims and 181 summons, attested 350 contracts, and assisted over 500 people in-person per month. In addition to staffing the City Clerk public counter, this position attends City Council meetings and conducts vote tabulations, processes public records and permit requests (cannabis, public convenience and necessity), and provides much needed administrative assistance to the high-volume Planning and Land Use Management Committee.

Executive Administrative Assistant II - \$79,678

Losing this position leaves one Executive Administrative Assistant III (EAA) to assist the public and all City departments without any backup. An administrative pool does not exist to cover the EAA's absences due to sick leave, vacation, personal time, or release time for lunch and breaks. Not having a second administrative staff person in the City Clerk's Executive Office will impact call response times and coordination of public records requests, Neighborhood Council communications, and Citywide execution of bonds, resolutions, and contracts.

**C. Modification - Move Management Analyst and Accounting Clerk Resolution Authorities - \$185,130 (Blue Book Page 109, Item 11) from Council and Public Services to General Administrative Support**

This Office requests that the nine-months of funding and resolution authority for one Management Analyst and one Accounting Clerk, to provide administrative, human resources, and budgetary support to departments, be moved from Council and Public Services to General Administrative Support.

#### **D. Reduce Allocation from the BID Trust Fund (Schedule 29)**

The City Clerk's FY 2021-22 Proposed Budget includes a special fund allocation from the BID Trust Fund (Schedule 29) of \$911,517 to offset General Fund salary expenses. The Special Fund allocation consists of recovery costs collected for administering the Business Improvement Districts throughout the City. The collection amount anticipated for FY 2021-22 is only \$672,000, a difference of \$239,517 from what has been budgeted. In order to cover this deficit, funds would need to be transferred from the BID Trust Fund. The fund balance is unable to absorb this amount, and as such, this Office requests that Schedule 29 funding be modified to reflect the actual anticipated recovery cost. Additionally, it is requested that the Office of the City's Administrative Officer (CAO) work with City Clerk staff to accurately reflect future years' Schedule 29 obligations.

#### **Service Level Impacts Due to Staffing Shortages**

This Office understands the financial limitations necessitating the deletion of SIP positions. The loss in human capital, however, will negatively impact City Clerk operations across the board:

The Administrative Services Division will lose a Senior Administrative Clerk in the Payroll Section, as well as an Accounting Clerk and a Management Analyst Resolution Authority in the Accounting and Fiscal Sections. This Division not only provides payroll, personnel and fiscal support to the Mayor's Office, Council, and Chief Legislative Analyst (CLA) on an ongoing basis, it is also called upon to provide interim support to other offices and newly formed departments. City Clerk staff provide support for various functions such as emergency preparation planning, special training, facilitating interdepartmental services, and new initiatives related to racial equity, immigration services, gender equity, etc. City Clerk Payroll staff review and process timekeeping for approximately 900 Council Office, Mayor, Office of Public Accountability, CLA, Department of Neighborhood Empowerment, the Commission on Civil and Human Rights, and City Clerk staff. Losing the Senior Administrative Clerk position in the section represents a 25% loss in staff and will reduce the section's ability to respond in a timely manner to payroll related inquiries, verification of employment, vacation and sick time balances and other reports as requested by Elected Officials, the Controller's Office and other agencies. Similarly, the Accounting Clerk position provides accounts payable and administrative support for the City Clerk, the offices it supports, and over 50 Citywide Trust Funds. Losing this position will diminish the ability to provide information and services in a timely manner.

The loss of the Management Analyst (MA) position allocated primarily to support the Redistricting Commissions, and assist with GCP and AB 1290 contracts, will be especially difficult given the additional workload resulting from the *Reimagining Public Safety* and *Homelessness Prevention* program. Only three remaining staff are available to support the Redistricting Commissions, execute 70 contracts related to the one-time fund allocations from LAPD, and process a yearly average of 55 contracts on behalf of the City Council. The section's goals had been to decrease the turnaround time for contract execution and submit the annual GCP report to Council no later

than 90 days after fiscal year end. Neither of these goals will be met, given the current staffing situation.

The BID Unit assists 39 property and 4 merchant BIDs by guiding them through the establishment and renewal processes, the review and approval of BID management district plans, and through the monitoring of financial operations. The loss of a Senior MA and an Office Engineering Technician (OET) II position will leave the section without a supervisor to assist staff and handle the more complex situations and affects the Division's ability to perform verification of thousands of assessments that take place on an annual basis. This will leave staff without an immediate supervisor and only one OET II to perform the assessment verifications, boundary map and boundary description reviews as well as the associated field work. Due to the staffing shortage, the section plans to hire a contractor to provide technical services. Losing the in-office resources, however, will decrease the Division's agility and the sharing of knowledge, limiting staff's ability to respond to inquiries, requests for assistance, and complex situations.

The loss of a Senior MA position in the Election Division prior to an even-numbered year with the offices of Mayor, Controller, City Attorney, eight Council and three Los Angeles Unified School District seats up for election will pose numerous challenges. Five of those races, Mayor's included, will be open due to term limits and that has historically increased the number of people filing for candidacy. Each filer has to submit candidate petitions with either 500 or 1,000 valid signatures in order to qualify. It is likely there will be an average of at least four filers per office, resulting in a minimum of 56 petitions and as many as 56,000 signatures to review. In prior years, Election staff and up to 70 As-Needed employees, led by the Senior MA, were responsible for verifying signatures and had to do so in a very tight time frame. Election law surrounding petition verification is highly technical and the Sr. MA reviewed challenges and worked closely with the City Attorney to resolve issues. This position was also responsible for Initiative, Recall, and Referendum petitions. Without this key position, the Department may need to request that the County provide petition verification services at a significantly higher cost.

The City Clerk is hopeful that the strides it has made in automating processes, digitizing information, and streamlining operations, will help mitigate some of the impacts of the budget and staffing reductions. This Office will continue to do its part to innovate and leverage resources in order to continue to strive to make our services high quality, accessible, and cost-efficient.

I wish to thank the Mayor, the City Administrative Officer, and each of their respective staffs for the diligent and thoughtful preparation that accompanied this budget process. What a year this has been and the Office of the City Clerk is grateful for the leadership, and the hard work of all of your staff in helping us get through it together. My staff and I look forward to working with your Committee and the City Council to implement a budget that reflects our shared commitment to improving core functions of our City while enhancing its service delivery.

Sincerely,



Holly L. Wolcott  
City Clerk