

BUDGET & FINANCE

MOTION

The Los Angeles Fire Department (LAFD) is experiencing operating budget shortfalls in various accounts for reasons as indicated below. Council approval is urgently needed to expedite the necessary transfer of funds to balance salary and expense accounts for a total of \$7.04M. These transactions cannot be deferred to the upcoming Year End Financial Status Report (FSR) due to the depletion of salary accounts and fiscal year end purchasing deadlines. There is no additional General Fund impact as these transactions involve internal transfers and funding budgeted for Fire purposes in the Unappropriated Balance.

- Sworn Overtime (\$3.8M) - Expenditures have increased significantly in recent months as a result of the deployment of sworn members on emergency recall to fill field vacancies throughout the City until hiring is ramped up. Recalls are activated when the department cannot fill field posts through additional assigned hire or voluntary overtime. There is insufficient funding to meet payroll for the pay period ending April 23, 2022.
- Unused Sick Time (\$1.32M) – MOU changes taking effect in January 2021 which increased unused sick time compensation have accelerated expenditures in this account beyond projections. The account has been depleted as of the pay period ending April 9, 2022, and there is no funding to meet payroll for the pay period ending April 23, 2022.
- Civilian Overtime (\$0.92M) - Overtime remains a necessity to minimize turnaround times on fire life safety inspections, maximize fleet availability and maintain systems support. Civilian vacancies have exacerbated overtime usage which is now forcing system-generated payouts for excess banked overtime. Funding of \$920,000 is needed to meet the most critical year end needs.
- Fleet Parts Account (\$1.0M) – Expenditures have increased significantly in recent months due to surging prices and field demands. This funding cannot be deferred to the Year End FSR as approval of that report typically does not occur until after fiscal year end deadlines for purchase transactions. This account will be depleted as of the pay period ending April 23, 2022.



APR 27 2022

I THEREFORE MOVE that City Council, subject to approval of the Mayor, authorize the Controller to transfer \$7,040,000 within and between Fund 100 sources, as follows:

	<u>Fund</u>	<u>Account</u>	<u>Amount</u>
From:	100/58	580333, Fire Department Compensation Adjustments	\$ 5,120,000
To:	100/38	001092, Overtime Sworn	\$ 3,800,000
		001050, Unused Sick Time	\$ 1,320,000
		Total	\$ 5,120,000
From:	100/38	001010, Salaries, General	\$ 620,000
		003040, Contractual Services	\$ 1,300,000
		Total	\$ 1,920,000
To:	100/38	001090, Overtime General	\$ 920,000
		003090, Field Equipment Expense	\$ 1,000,000
		Total	\$ 1,920,000

I FURTHER MOVE that the Fire Department be authorized to prepare Controller instructions for any technical adjustments, subject to approval of the City Administrative Officer, and that the Controller be authorized to implement the instructions.

PRESENTED BY:

Paul Krekorian
PAUL KREKORIAN
Councilmember, 2nd District

SECONDED BY:

Monica Rodriguez

ORIGINAL