

UNAPPROPRIATED BALANCE

BASIS FOR THE PROPOSED BUDGET

The 2003-04 Proposed Budget for the Unappropriated Balance relates to current year funding as follows:

	Amount	% Change
2002-03 Adopted Budget	\$ 31,762,493	
2003-04 Proposed Budget	\$ 17,908,849	
Change from 2002-03 Budget	\$ (13,853,644)	(44)%

In accordance with Charter Section 312, the Unappropriated Balance provides funds for appropriations after budget adoption to meet contingencies as they arise. Specific funding, personnel, equipment and/or procedures cannot be adequately defined for contingencies that occur during the fiscal year. By recognizing such contingencies in the Unappropriated Balance, start-up funding is provided. Use of monies in the Unappropriated Balance is subject to approval of specific reports and recommendations to the Mayor and Council.

	2002-03 Budget	2003-04 Budget
1. Business Assistance Virtual Network	267,480	341,627
2. City Attorney Outside Counsel	2,500,000	2,500,000
3. FMIS Needs Assessment Study	-	250,000
4. LAPD Consent Decree Program	2,081,000	8,000,000
5. LAPD Financial Audits	200,000	200,000
6. LAPD Witness Protection Program	-	500,000
7. LATAx	-	2,338,000
8. Litigation Expense Account	750,000	750,000
9. Relocation Costs for Displaced Tenants	500,000	500,000
10. Target Folders Project and COMPSTAT	-	797,198
11. 3-1-1 Development of E-Gov't Service Request System	1,772,944	1,732,024
12. Banking Management System	500,000	-
13. City Attorney Technology Equipment	1,000,000	-
14. Citywide Service Directory	300,000	-
15. Crossing Guard COLA	673,000	-
16. Expanded Library Hours - Phase IV	500,000	-
17. LAHSA Downtown Drop-in Center	500,000	-
18. LAPD Additional Officer Equipment	596,475	-
19. Lease Account Increase	1,746,547	-
20. Medical Exams for Sworn Fire Employees	500,000	-
21. Neighborhood Councils Organization and Support	1,294,014	-
22. Neighborhood Prosecutor Program	250,000	-
23. Off-Site Inspection Program	1,787,275	-
24. Police Audit – Fiscal Operations	500,000	-
25. Recreation and Parks “Holdback”	7,500,000	-
26. Recycling Program	2,000,000	-
27. Sexual Assault Medical Examinations	400,000	-
28. Summer Youth Employment	2,000,000	-
29. Tax Compliance Officers	350,000	-
30. 3-1-1 Completion of Call Center	793,758	-
31. General	500,000	-
	\$ 31,762,493	\$ 17,908,849

Business Assistance Virtual Network -- \$341,627. Phase II funding for the Business Assistance Virtual Network (BAVN), an Internet platform to allow businesses access to the City's business needs and services, is provided for salaries, hardware and software for procurement and maintenance, training, and office equipment.

City Attorney Outside Counsel -- \$2,500,000. Funding is provided for the City to employ additional attorneys to assist in litigation. The City Attorney retains outside firms on an occasional basis, typically when the type of litigation involved requires expertise that is not available in-house. Due to the difficulty in predicting the number and types of matters that require outside counsel, funding will be considered on a case-by-case basis.

FMIS Needs Assessment Study -- \$250,000. Funding is provided to complete the needs assessment study for replacement of the City's existing Financial Management Information System. The study will identify key system specifications and requirements for preparation of a Request for Proposal anticipated in 2003-04.

LAPD Consent Decree Program -- \$8,000,000. For the last two fiscal years, a total of \$25.2 million has been provided for TEAMS II. It is anticipated that an additional \$7 million may be required to complete the project, but the timing of the expenditures is unclear at this time. Funding is also set aside for contractual services for data analysis of information collected from the Traffic and Pedestrian Stop System (\$500,000), and other contingencies (\$500,000).

LAPD Financial Audits -- \$200,000. Funding is included to conduct financial audits of LAPD officers and other LAPD employees who routinely handle valuable contraband or cash as required by the Department of Justice Consent Decree. Funding in 2002-03 was deferred due to delays in the meet and confer process. It is anticipated that this process will be completed sometime in 2003-04.

LAPD Witness Protection Program -- \$500,000. Funding is set aside to supplement funding for the Witness Protection program in the event the proposed State reduction for reimbursement occurs. Currently, the State reimburses agencies for a portion of the expenses related to witness safety and protection.

LATAX -- \$2,338,000. Implementation of LATAX, the City's replacement tax collection system, is anticipated in 2003-04. Nine months funding has been provided in the Office of Finance and Information Technology Agency. Three months funding for salaries, overtime, and other project costs including an amount for contract holdback, is set aside to complete the project.

Litigation Expense Account -- \$750,000. Funding is provided for the City Attorney to augment the Department's Litigation Expense Account (LEA). This funding is intended to engage outside service providers in the increased level of activity that is anticipated as a result of the Rampart Investigation and defense of the complex legal issues that arise from it. The LEA provides funding for outside service providers to perform various legal services such as investigations, medical testimony, messenger services, collections, depositions, transcripts and photocopies. It is envisioned that appropriations may be made on an interim basis or during the course of mid-year and/or year-end departmental reconciliations.

Relocation Costs for Displaced Tenants -- \$500,000. Funding is set aside to provide relocation assistance to tenants displaced from their rental units by conditions that pose an imminent threat to the occupants or to the public welfare. This funding will facilitate the ability of displaced tenants to secure shelter and may also provide services through a contractual agreement for the distribution and administration of funds for large tenant displacements.

Target Folders Project and COMPSTAT-- \$797,198. Funding is provided through the Local Law Enforcement Block Grant for the Target Folders project and software and hardware for the COMPSTAT system. The Target Folders Project will allow the Police and Fire Departments to automate critical data for first responders. The project will replace paper folders that contain building data with a portable computer that will contain a databases of high profile facilities. The COMPSTAT system, which replaces the FASTRAC system, is a command accountability system that will provide officers real time crime data allowing for a more strategic response to crime fighting. The system will also enable Department management to use current statistical information to assist in deployment of personnel and to more adequately manage risk management issues.

3-1-1 Development of E-Gov't Service Request System -- \$1,732,024. Funding is set aside to continue development of the Service Request System (SRS) for the 311/E-Government project. Funding will provide for staff salaries, contractual services, office expenses, equipment, software, and contingency.