



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

June 19, 2007

The Honorable Gloria Romero
Majority Leader, 24th Senate District
California State Senate
State Capitol, Room 313
Sacramento, CA 95814

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Senator Romero:

EAST LOS ANGELES REVENUE AND EXPENDITURE DATA

Pursuant to my letter to you of February 18, 2007, we are transmitting to you East Los Angeles revenue and expenditure data consistent with your efforts to prepare an Initial Fiscal Feasibility Analysis (IFA) for a proposed incorporation of this unincorporated community. We are providing a number of attachments reflecting Fiscal Year 2005-06 data including:

- **Attachment I:** East Los Angeles Initial Fiscal Feasibility Data, a summary of information required to complete the IFA based on the State LAFCO Incorporation Guidelines, Appendix C.
- **Attachment II:** Animal Care and Control expenditures and revenue;
- **Attachment III:** Chief Administrative Office expenditures and revenue related to the Internal Services Department maintenance of the Belvedere Lake area, the County Hall and the Civic Center Campus. Additional Civic Center Campus costs are reflected in departmental budgets, e.g. Public Library;
- **Attachment IV:** Community Development Commission expenditures and revenue;
- **Attachment V:** Fire expenditures and revenue related to station operations and fire prevention;
- **Attachment VI:** Office of Public Safety expenditures and revenue;
- **Attachment VII:** Parks and Recreation expenditures and revenue for their operating budget, special districts and capital projects;
- **Attachment VIII:** Public Health expenditures and revenue related to environmental health inspections;
- **Attachment IX:** Public Library expenditures and revenue;
- **Attachment X:** Public Works expenditures and revenues including: 1) a roll-up summary for operations including State Highway User Taxes (Gas Tax) and Transportation Local Sales Tax (e.g., Propositions A and C); 2) maintenance and capital projects reflecting gas tax and other revenue sources; 3) budget unit summaries; 4) Internal Service Fund summary; and 5) a Program Cost Account by division allocating the percentage of expenditures by service type for East Los Angeles;

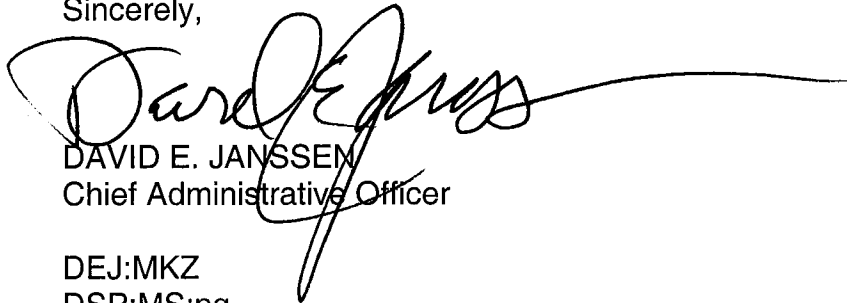
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- **Attachment XI:** Regional Planning expenditures and revenue; and
- **Attachment XII:** Sheriff's expenditures and revenue.

Please note that, as previously indicated, you should obtain Fines and Forfeitures information directly from the Trial Courts, and Vehicle License Fee and Sales Tax information directly from the State Controller's Office. Additionally, gas and electric franchise fees should be obtained from Southern California Gas Company and Edison respectively.

Please let me know if you have any questions, or your staff may contact Dorothea Park of this Office at (213) 974-4283 or dpark@cao.lacounty.gov.

Sincerely,



DAVID E. JANSSEN
Chief Administrative Officer

DEJ:MKZ
DSP:MS:pg

Attachments

- c: Each Supervisor
Sheriff
Assessor
Auditor-Controller
County Counsel
Director of Animal Care and Control
Executive Director, Community Development Commission
Fire Chief
Director of Internal Services
County Librarian
Chief, Office of Public Safety
Director of Parks and Recreation
Director of Public Works
Director and Health Officer of Public Health
Director of Regional Planning
Treasurer and Tax Collector
Executive Officer, Local Agency Formation Commission for the County of Los Angeles
Gustavo V. Camacho, Economic Development Director,
State Senator Gloria Romero's Office

Proposed East Los Angeles
Initial Fiscal Feasibility Data
FY 2005-06

General Fund	Revenue Source	Revenue Detail	FY 2005-06 Revenue Collected	Comments
	Property Tax	LA County General	\$7,020,249	Reflects the General Fund share of the 1 percent property tax levy prior to application of Auditor's ratio to determine proposed city's share. Reflects the original charge not the actual collections for the FY.
		Road District #1	147,408	Reflects the Road District #1 share of the 1 percent property tax levy. Reflects the original charge not the actual collections for the FY.
		Co. Lighting Maintenance District (LMD) No. 1687	1,191,484	Reflects the LMD's share of the 1 percent property tax levy. Reflects the original charge not the actual collections for the FY. Requires detachment from County LMD.
		Recreation and Park Districts	5,852	Reflects the Recreation and Parks Districts share of the 1 percent property tax levy. Reflects the original charge not the actual collections for the FY.
		Bella Vista Montebello	96,098	
		Public Library, County	543,477	Reflects the Library share of the 1 percent property tax levy. Reflects the original charge not the actual collections for the FY. Withdrawal from the County Library District would require compliance with the State Education Code procedures.
		Consolidated Fire Protection District of LA County	4,234,025	Reflects the Fire District's share of the 1 percent property tax levy. Reflects the original charge not the actual collections for the FY. Withdrawal from the County Fire District would require LAFCO approval.
		Belvedere Garbage Disposal District (GDD)	1,215,511	Reflects the GDD share of the 1 percent property tax levy. Reflects the original charge not the actual collections for the FY. Requires detachment from the GDD and solicitation for a vendor that would provide city services.
	Property Transfer Tax		368,065	
	Sales and Use Tax		4,743,780	Reflects an estimate based on the total sales tax collected for unincorporated areas and the estimated share of East LA sales tax of 8.9 percent. The East LA sales tax percentage is based on the State Board of Equalization file that was geo-coded to obtain retail sales accounts for East LA. The State is verifying the data and will have a response by July or August 2007. Proponents should obtain actual numbers from the State Controller.

General Fund	Revenue Source	Revenue Detail	FY 2005-06 Revenue Collected	Comments
	Transient Occupancy Tax		32,380	VLF information needs to be obtained from the State Controller by the proponent.
	Motor Vehicle In-Lieu (VLF)			
	Franchise Fees	Water	196,944	Reflects calendar year 2005. In calendar year 2006, \$208,975 was collected. California Water Service Company is the main water purveyor for East LA.
		Petroleum	10,588	Reflects calendar year 2006. Pacific Pipeline System LLC has petroleum pipelines in East LA.
		Cable and Telecommunications	184,000	
		Gas		The County collected the following revenues from Southern California Gas: Calendar Year 2005: \$3,066,139; Calendar Year 2006: \$3,025,089. The Southern California Gas Co. would have to determine the franchise fee specifically for East LA. See note below for actual collections for the FY as reported by the Auditor-Controller.
		Electric		The County collected the following revenues from Edison: Calendar Year 2005: \$2,896,358; Calendar Year 2006: \$3,525,861. Edison would have to determine the franchise fee specifically for East LA. Note: The actual collections for gas and electric as reported by the Auditor-Controller for FY 2005-06 was \$5,794,538.
	Utility User Taxes	Gas	688,864	
		Electric	1,463,827	
		Telephone	3,141,673	Revenue based on estimate of: 1) number of phones per household; 2) number of phones per business; and 3) number of cell phones by age group for East LA compared to all unincorporated areas within LA County. Total revenue collected countywide was \$26,131,258 for FY 2005-06. Number of phones based on 2005 Assessor file; 2005 population estimate and FY 2005-06 State BOE registration file.
	Fines and Forfeitures			Fines and Forfeitures needs to be obtained from the State Trial Courts by the proponents.
	Business License		181,557	The Business License Ordinance is regulatory and established to protect the health and welfare of the public. As such, the fees are established by the Auditor-Controller for the purpose of recovering County cost for the administration and enforcement of the Ordinance. Note: The amount reflected is based on data collected between 2/1/06 and 1/31/07.
Total Revenues			\$25,465,782	Excludes: VLF that would have to be obtained from the State Controller; Fines and Forfeitures that would have to be obtained from the State Trial Courts; and Franchise Fees for Gas and Electric that would have to be obtained directly from Southern California Gas and Edison respectively.

Note:

1. General Property Tax revenue is overstated as it does not reflect application of the Auditor's ratio.
2. Departmental revenues are reflected in detail on their respective departmental spreadsheets.

Proposed East Los Angeles Incorporation
Initial Fiscal Feasibility Data
FY 2005-06

General Fund Depis.	Expenditure Type	Expenditure Detail	FY 2005-06 Expenditure	Comments
Expenditures	Law Enforcement	County Sheriff	\$24,287,825	Assumption that proposed city would contract with County for law enforcement services. Currently CHP provides traffic enforcement. If East LA incorporated, the Sheriff would assume this responsibility at an additional cost.
		Office of Public Safety	1,149,520	Park patrol function would be assumed by Sheriff if proposed city contracts with Sheriff for law enforcement. Associated costs would be based on the Sheriff's billing rate for patrol services.
	Planning	Regional Planning	957,682	Assumption that function would be handled by proposed city.
	Animal Care and Control		211,960	Assumption that proposed city would contract with County Animal Care and Control.
	Parks & Recreation	Operations	6,912,904	Parks would be transferred to new city. Note: Includes \$1,839,497 of one-time only expenditures. FY 2005-06 operating expenditure base was \$5,073,408.
		Capital Projects	4,345,654	
		Special Districts	98,519	
	Chief Administrative Office		543,353	Reflects Chief Administrative Office expenditures incurred for extraordinary maintenance of the County Hall and Belvedere Lake. County Hall opened in May 2006 so full year costs are not reflected. Civic Center related maintenance costs for the Public Library will be reflected in their expenditures.
Total Expenditures			\$38,507,417	

Non-General Fund Depts./Agencies	Expenditure Type	Expenditure Detail	FY 2005-06 Expenditure	Comments
Expenditures				
	<i>Fire Protection</i>	County Fire (Special District)	7,106,530	Assumption that proposed city would remain within the County Fire Protection District.
	<i>Public Library</i>	Special Fund	5,012,347	Assumption that proposed city would remain within the Library District.
	<i>Public Works</i>	Special Funds, Special Districts, General Fund	9,456,089	Assumption that proposed city may contract for some functions. Note: Excludes Road Fund and Transit Enterprise Fund cited below.
	<i>Public Health</i>	Environmental Health	1,741,955	Assumption that Public Health/Environmental Health would be the proposed city's health inspector.
	<i>Community Development Commission</i>		3,189,512	Note: CDCs total expenditures are \$13,089,805 however CDBG (\$2,191,129); HDP (\$5,085,450); and ER (\$2,623,714) totaling \$9,964,219 can be utilized in other unincorporated areas within SD1.
Total Expenditures			26,506,433	

Note:
Expenditure and revenue detail, including net County cost, for FY 2005-06 are detailed on the respective departmental spreadsheets.

Proposed East Los Angeles
Initial Fiscal Feasibility Data
FY 2005-06
Road Fund and Transit Enterprise Fund

Revenue Source and Expenditure Type	Revenue Detail and Expenditure Detail	FY 2005-06 Revenues and Expenditures	Comments
Revenues			
Gas Tax	Operations	8,211,014	Street and Highway formulas are based on road miles, population, and property values which fluctuate. Note: For FY 2004-05, the amount of gas tax revenue generated by East LA was \$2,623,260. This needs to be compared to actual total expenditures of \$10,778,725.
	Capital Projects	2,567,711	
Transportation Related Sales Tax	Operations	1,933,000	Prop A revenue is based on population. The amount of revenue for East LA in FY 2005-06 was \$2,285,289. Prop C revenue is based on population. The amount of revenue for East LA in FY 2005-06 was \$1,962,078. Total revenue was \$4,247,367. Expenditures totaled \$4,032,324.
	Capital Projects	2,099,324	
Total Revenues		14,811,049	
Expenditures			
Street Maintenance		8,283,526	Additional expenditures offset by Charges for Services such as the Environmental Review Fees and Environmental Initial Study Fees; and Misc. Revenue: Bus Shelter Annual Flat Fees.
Capital Projects		4,667,035	
Contingency (@ 5%)		647,528	
Transit	Enterprise Fund	2,208,035	Includes Fixed Route, Dial-A-Ride, Services to Others, Special Events and Facilities offset by Transit operations sales tax revenue and fund balance.
Total Expenditures		15,806,124	

Note:

1. Additional revenue collected for environmental review fees and bus shelter annual flat fees to offset Road expenditures.
2. Expenditure and revenue detail for FY 2005-06 are reflected in the departmental spreadsheets.

EAST LOS ANGELES
ANIMAL CARE AND CONTROL
GENERAL FUND
2005-06 Actuals

	Animal Housing and Field Services - Downey Shelter		Total
	Revenue Services Division - Canvass	Animal Control Division - Field Operations	
	Actual 2005-06 Division S&EB S&S, OC, & FA	Actual 2005-06 Division S&EB, S&S, OC, FA	
EXPENDITURES			
Salaries and Employee Benefits	55,751	51,721	107,472
Services and Supplies	10,787	93,700	104,488
Other Charges	0	0	0
Fixed Assets	0	0	0
Gross Total	66,539	145,421	211,960
Intrafund Transfers			
Net Total	66,539	145,421	211,960
REVENUE			
Animal Licenses:			
License/Penalty/Surcharge	0	155,699	155,699
Humane Services:			
Impound/Board	0	3,153	3,153
Charges for Services (Other)	0	0	0
Miscellaneous	0	0	0
Total Revenue	0	158,851	158,851
Net County Cost	66,539	-13,430	53,109

Notes:

- S&EB: Utilized Group III Billing Rate for FY 2005-06 which reflects full County costs (direct and indirect).
- S&S: Reflects closing actuals multiplied by expenditure allocation ratio based on accumulated productive hours for Animal Field and Canvassing.
- FA: See note on S&S.
- Revenue: Utilized to offset License Handling and Animal Housing expenditure services.

EAST LOS ANGELES
 CHIEF ADMINISTRATIVE OFFICE
 EXTRAORDINARY MAINTENANCE - ACCOUNT 12810
 RELATED TO INTERNAL SERVICES DEPARTMENT
 FY 2005-06

	Belvedere Lake	County Hall	Civic Center Campus	Total
	Grounds Maintenance Services Actual FY 2005-06 S & EB, S&S, OC, & FA	Custodial & Grounds Maintenance ACTUAL 2005-06 S&EB, S&S, OC, FA	Custodial & Grounds Maintenance Actual 2005-06 S&EB, S&S, OC, FA	
EXPENDITURES				
Salaries and Employee Benefits				
Services and Supplies	33,828	12,513	497,012	543,353
Other Charges	0	0	0	
Fixed Assets	0	0	0	
Gross Total	33,828	12,513	497,012	543,353
Intrafund Transfers	0	0	0	0
Net Total	33,828	12,513	497,012	543,353
Revenues	0	0	0	0
Net County Cost	33,828	12,513	497,012	543,353

Notes:

- (1) Includes services to all three areas for Graffiti Removal as well as the Service Coordinator costs reflected in the Civic Center Campus column.
- (2) The County Hall was not occupied until May 2006, so the Internal Services Department charges represent only partial year costs.
- (3) Reflects ISD related expenses paid from Extraordinary Maintenance Budget (CAO Account #12810)
- (4) Other expenses related to the East LA Campus are reflected in departmental budgets, e.g. Library

ISD - East Los Angeles
 19-Jun-07

