



RESOLUTION NO. \_\_\_\_\_

BOARD LETTER APPROVAL

*Ann M. Santilli*  
Ann M. Santilli (Oct 30, 2024 11:56 PDT)

**ANN M. SANTILLI**  
Chief Financial Officer

*J. Quiñones*

**JANISSE QUIÑONES**  
Chief Executive Office and Chief Engineer

**DATE:** October 29, 2024

**SUBJECT:** Approval for the Payment of the Estimated Fiscal Year 2024/25 Special City Services, the Management Audit of the Los Angeles Water and Power Employees' Retirement Plan, and the Office of Public Accountability Invoices for an Amount not to Exceed \$34,162,402

**SUMMARY**

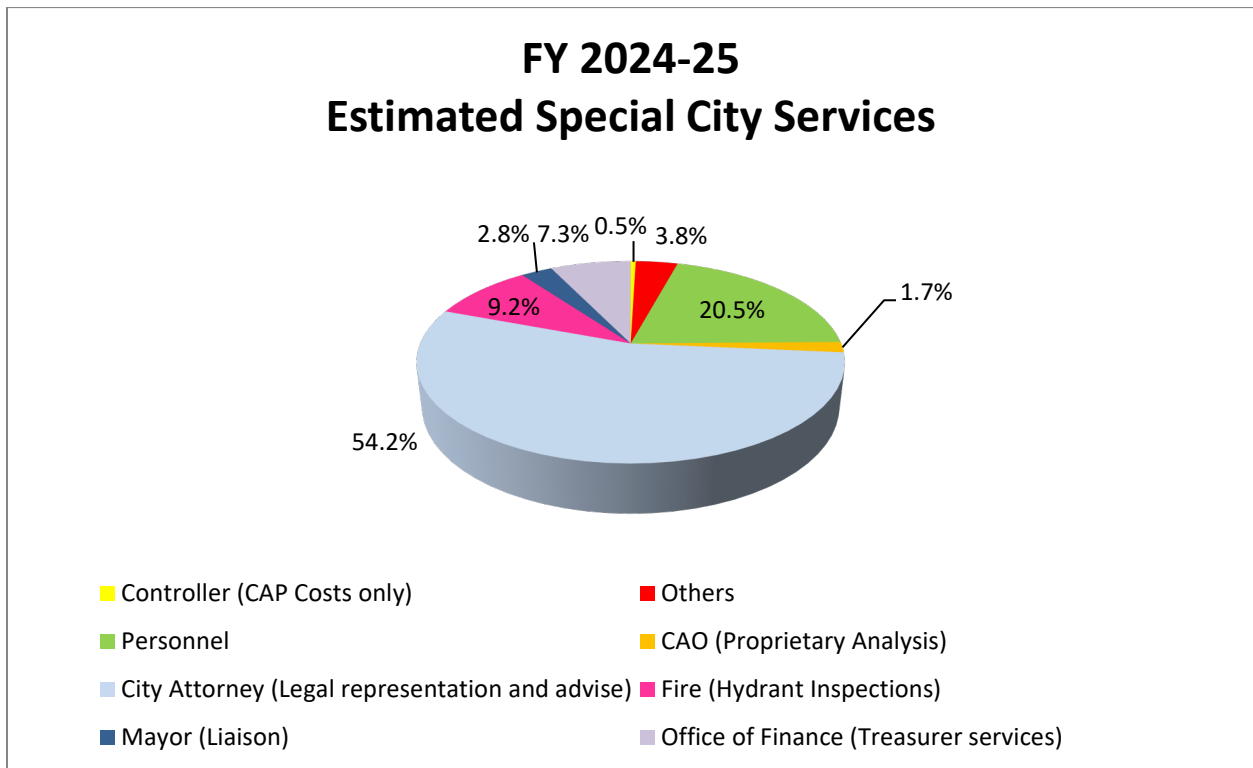
The purpose of this Board Letter is to request approval to pay the following costs:

Department	Description	Amount
Special City Services	FY 2024/25 Estimated Services (budgeted)	\$29,085,810
Office of the Controller	FY 2024/25 Management Audit of the Water and Power Employees' Retirement Plan per City Charter Section 1112	\$350,000
Office of Public Accountability (OPA)	FY 2024/25 Estimated Services, includes FY 2023/24 actual true-up	\$4,726,592
	<b>TOTAL</b>	<b><u>\$34,162,402</u></b>

As requested in the attached letter from the City Administrative Officer (CAO) dated October 11, 2024, and the attached budget documents and communications, the City is requesting reimbursement of the Special City Services expected to be provided to LADWP during Fiscal Year (FY) 2024/25 which include LADWP's share of the following two types of costs:

Central Service Costs	Direct Service Costs
Controller (CAP Costs only)	CAO (Proprietary Analysis)
Others (labor and expenses)	City Attorney (Legal Representation & advise)
Personnel	Fire (Hydrant Inspections)
	Mayor (Liaison)
	Office of Finance (Treasurer services)

The breakdown of each cost identified above to the FY 2024/25 estimated invoice of \$29,085,810 is depicted in the following chart.



In addition, the City Controller is in the process of finalizing the firm to complete the next management audit of the Water and Power Employees' Retirement Plan per City Charter Section 1122. The estimated cost for this service is \$350,000 and the Department is being requested to pay the vendor once the management report is accepted by the City Controller. This amount has been communicated through the City CAO and Controller's Office and is separate from the Special City Services bill sent October 11, 2024. The City Controller will execute a contract with a vendor and LADWP will pay the vendor upon approval of the City Controller accepting the final report.

Lastly, per the City's Adopted Budget, the City is requesting reimbursement for the FY 2024/25 estimated cost for direct services provided by the OPA of \$4,135,084 and support services of \$322,248 which is comprised of services provided by the Offices of

the City Clerk of \$109,865 and CAO of \$212,383. Based on amounts finalized for FY 2023/24, a net balance of \$269,260 was included and the fiscal year estimated amounts were adjusted to \$4,346,461 for OPA and support services of \$380,131 which is comprised of services provided by the City Clerk of \$120,073 and CAO of \$260,058. The estimated amount plus the amounts finalized for FY 2023/24 balance due for OPA and support services totaled \$4,726,592.

City Council approval is not required.

### **RECOMMENDATION**

It is recommended that the Board of Water and Power Commissioners (Board) adopt the attached Resolution authorizing approval to pay these charges.

### **ALTERNATIVES**

There are no alternatives to some of the costs billed in the Special City Services invoice. LADWP cannot hire its own attorneys or accountants to perform the City Charter tasks of the City Attorney or the City Controller nor can it hire staff to perform the duties of the Mayor's Office or the CAO.

### **FINANCIAL INFORMATION**

The table below shows the trend of these special services charges over the last three-year period compared to the amount for FY 2024/25:

	Current Year	Prior Year CAO Requests/City Budget		
	FY 2024/25	FY 2023/24	FY 2022/23	FY 2021/22
Shared and Direct Services	\$29,085,810	\$26,282,857	\$25,973,984	\$20,265,042
Industrial, Economic and Administrative Survey	\$350,000			
Office of Public Accountability	\$4,726,592	\$3,797,499	\$3,603,619	\$2,660,544

Shared and Direct Services increased from FY 2023/24 by approximately \$2,802,953. The increase is due to the increase in the Personnel, CAO, City Attorney, Fire (Hydrant Inspections), Mayor's Office and Office of Finance services offset by the decrease in the Controller and Other services.

## **BACKGROUND**

The payments for Special City Services and OPA are not related to the annual Power Revenue Transfer to the City. These are payments for services provided to LADWP by the City each year.

The letter from the CAO dated October 11, 2024, requesting partial payment from LADWP for the cost of such services, along with a breakdown of the annual estimated costs, is attached. As described in the letter, Special City Services include LADWP's share of the City's Central Service costs (City Controller, Personnel Department and other labor and expenses) and Direct Service costs (CAO's Office proprietary analysis, City Attorney's Office services, Fire Department's hydrant inspection services, the Mayor's Office proprietary department liaison and the Treasurer's Office services).

LADWP and the CAO acknowledge that the payments will be made every quarter once approved by the Board. The first payment will cover one-fourth of the estimated annual costs for FY 2024/25. The remaining balance will be paid on a quarterly basis in substantially equal amounts or as invoiced by the CAO's office so that by June 30 all amounts owed for these estimated services will be paid. Any adjustments from one quarter will be applied to the subsequent quarter. The total payment to the City will be subject to audit and verification by the LADWP's Chief Executive Officer and Chief Financial Officer. LADWP's Accounting and Financial Reporting Division receives and reviews the invoices for reasonableness and LADWP's Internal Audit Division performs a post-audit on the charges to ensure the cost allocation methods are reasonable and actual costs are supported by underlying records. The results of these reviews are incorporated into subsequent payments. Adjustments to the amounts initially billed are also initiated based on reviews by the CAO of actual versus estimated costs.

Also, included for approval is an estimated amount for the services provided by the OPA of \$4,135,084 which includes estimated labor costs of \$1,797,545 and support services of \$2,337,539. The labor estimate is based on CAP 46. Included in the \$2,337,539 amount are the estimated expenditures for printing and binding, travel, contractual services, transportation and office and administrative expenses. Adjustments from prior years will be added to the estimated amounts resulting in the net estimated amount of \$4,726,592 to be paid during FY 2024/25. The net estimated total amount for OPA and support services will be divided into two payments.

## **ENVIRONMENTAL DETERMINATION**

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15060 (c)(3). In accordance with this section, an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378 (b)(4) states that government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the

environment do not meet that definition. Therefore, the approval of payment for Special City Services, the Management Audit of the Los Angeles Water and Power Employees' Retirement Plan, and the Office of Public Accountability is not subject to CEQA.

### **CITY ATTORNEY**

The Office of the City Attorney has reviewed and approved the Resolution as to form and legality.

### **ATTACHMENTS**

- Resolution
- Special City Services Invoice
- OPA FY 2024/25 Adopted Budget
- OPA Reconciliation of Actual Costs FY 2023/24

RESOLUTION NO. \_\_\_\_\_

WHEREAS, the Los Angeles Department of Water and Power (LADWP) has annually provided funds to the City of Los Angeles (City) for the costs of providing direct and indirect services from the City which include, but are not limited to, services from the City Attorney, Treasurer, City Controller, City Administrative Office (CAO), Mayor's Office proprietary department liaison, Fire and Personnel Department; and

WHEREAS, LADWP and the CAO have developed a methodology to allocate and reimburse costs from the City; and

WHEREAS, LADWP has received an estimated amount due for the Fiscal Year (FY) 2024/25 of \$29,085,810 from the CAO on behalf of the City which is comprised of \$7,217,045 in Central Services and \$21,868,765 for Direct Services; and

WHEREAS, LADWP has received an estimated amount due for FY 2024/25 of \$350,000 to be paid at the conclusion of the management audit required under Charter Section 1112 for the Water and Power Employee's Retirement Plan.

WHEREAS, LADWP has received an estimated amount for FY 2024/25 of \$4,135,084 due to the City for the Office of Public Accountability (OPA) services which are comprised of OPA salaries and benefits of \$1,797,545 and other costs of \$2,337,539, and LADWP has received an estimated amount of \$322,248 for support services provided to the OPA by the Offices of the City Clerk of \$109,865 and CAO of \$212,383; and based on amounts finalized for FY 2023/24, the estimated amounts were adjusted to \$4,346,461 for OPA and \$380,131 for support services provided by the Offices of the City Clerk and CAO.

NOW, THEREFORE, BE IT RESOLVED that the Chief Accounting Employee of the LADWP is authorized and directed to transfer a total of \$33,182,402 to the City's General Fund for the services described above for FY 2024/25. The actual amount paid will be subject to audit and verification by the Chief Executive Officer and Chief Financial Officer of the LADWP. The above amounts are to come from the Power Revenue Fund. The Power Revenue Fund will bill the Water Revenue Fund for its share of such costs.


BE IT FURTHER RESOLVED that the Chief Accounting Employee of the LADWP is authorized and directed to pay \$350,000 to the vendor selected to complete the management audit of the Water and Power Employees' Retirement Plan upon acceptance of their report by the City Controller. The above amount is to come from the Power Revenue Fund. The Power Revenue Fund will bill the Water Revenue Fund for its share of such costs.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held

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Secretary

APPROVED AS TO FORM AND LEGALITY  
HYDEE FELDSTEIN SOTO, CITY ATTORNEY

OCT 30 2024  
BY   
BENJAMIN CHAPMAN  
GENERAL COUNSEL

# CITY OF LOS ANGELES

CALIFORNIA

MATTHEW W. SZABO

CITY ADMINISTRATIVE OFFICER



KAREN BASS  
MAYOR

ASSISTANT  
CITY ADMINISTRATIVE OFFICERS

PATRICIA J. HUBER  
MALAIKA BILLUPS  
BEN CEJA  
YOLANDA CHAVEZ  
EDWIN GIPSON II

October 11, 2024

0160-01420-0158

Ms. Janisse Quiñones  
Chief Executive Officer and Chief Engineer  
Department of Water and Power  
111 North Hope Street  
Los Angeles, CA 90012-2607

Attention: Ms. Ann Santilli  
Chief Financial Officer

Dear Ms. Quiñones:

Subject: **SPECIAL SERVICES INVOICE - DEPARTMENT OF WATER AND POWER (DWP) FISCAL YEAR 2024-25 PAYMENT REQUEST FOR THE FIRST QUARTER BILLING**

Please consider this an invoice for \$7,271,452.44 for the estimated partial costs of special services provided by the City of Los Angeles (City) to DWP, in accordance with instructions from the Mayor and Council.

This payment request is for one-fourth of the estimated budgeted amount for central services and direct services provided to your department by the Office of the City Administrative Officer, Office of the City Attorney, Office of the Mayor, Fire Department, and Office of Finance. The total estimated cost for fiscal year 2024-25 is \$29,085,809.73. The total estimated costs includes any additional costs approved by DWP for fiscal year 2024-25 and a Cost of Living Allowance (COLA) for selected civilian employees approved by the Mayor and Council.

Please deposit the payment directly into the City's General Fund and ensure that each department providing services to DWP receives the appropriate amounts for this billing period. Payments made to the departments may be adjusted for prior year reconciliation true-ups. If you have any questions or need additional information, please



contact Annie Wang (telephone 213-978-1696 or email at [Annie.Wang@lacity.org](mailto:Annie.Wang@lacity.org)) or Melissa Krance (telephone 213-473-7582 or email at [Melissa.Krance@lacity.org](mailto:Melissa.Krance@lacity.org)).

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Szabo'.

Matthew W. Szabo  
City Administrative Officer

MWS:AW:03250007d

Attachments

CC: Ms. Michiko Reyes, Office of the City Attorney  
Ms. Bernyce Hollins, Office of the Mayor  
Ms. Lilian Buranabul, Office of Finance  
Mr. Peter Hoang, Office of Finance  
Ms. Ngozi Mbamalu, Los Angeles Fire Department  
Mr. Kyle Chan, Department of Water and Power  
Ms. Anne Phan, Department of Water and Power  
Ms. Cynthia Maldonado, Department of Water and Power  
Ms. Jacqueline Wagner, Office of the City Administrative Officer  
Mr. Rahoof Oyewole, Office of the City Controller  
Ms. Melissa Villanueva, Office of the City Controller  
Ms. Armenuhi Oganesian, Office of the City Controller  
Ms. Ning Cao, Office of the City Controller

SPECIAL SERVICES PURCHASED BY THE DEPARTMENT OF WATER AND POWER  
 BY CITY DEPARTMENT  
 2024-25 ESTIMATED COSTS  
 REVENUE SOURCE CODE 4596  
 September 4, 2024

City Department	Dept No.	Original Estimated Costs for FY 2024-25	Amount due from DWP in the 1st quarterly billing based on estimates (C/4)
		<b>C</b>	<b>D</b>
<b>CAP Central Services</b>			
Controller	26	132,152.00	33,038.00
Others	62	1,130,120.00	282,530.00
Personnel	66	5,954,773.00	1,488,693.25
<b>Total Central Services</b>		<b>7,217,045.00</b>	<b>1,804,261.25</b>
<b>Direct Services</b>			
CAO (Proprietary Analysis)	10	489,159.42	122,289.86
City Attorney (Legal representation and advise)	12	15,767,139.12	3,941,784.78
Fire (Hydrant Inspections)	38	2,677,256.17	669,314.04
Mayor (Liaison)	46	822,847.02	205,711.76
Office of Finance (Treasurer Services)	39	2,112,363.00	528,090.75
<b>Total Direct Services</b>		<b>21,868,764.73</b>	<b>5,467,191.19</b>
<b>Total Special Services</b>		<b>29,085,809.73</b>	<b>7,271,452.44</b>

Notes/Assumptions:

1. The level of service remains the same.
2. There are no major homeland security events during FY 2024-25.
3. CAP 46 used. CAP 47 not available at this time.
4. Mayor's Office estimates are based on projected FY24 actuals, pending confirmation from Mayor's Office on staff allocations to proprietary departments.

# CAP 46 DRAFT -- NOT YET REVIEWED BY FEDERAL GOVERNMENT

## SCHEDULE A -- Central Service Costs Allocated to Proprietary Departments

Extracted From CAP 46 Exported Excel Stepdown Report

Based on 2021-22 Expenditures

Allocated Indirect Costs	Airports	Harbor	Water & Power
Controller Auditing Contracts			
Building Leases			
Building Depreciation			
Communications Lease			
Computer Assets Depreciation			
Equipment Exp, UNDER \$5000			
Equipment Depreciation			
Gas (Natural Gas Utility)			23
General City Purposes	93,237	29,330	346,647
Insurance		83,989	189,056
ISU Fringe Benefits			
Liability Claims			
Petroleum Products (Fuel/Oil)			
Vehicle Depreciation			
Water and Electricity			608
Emergency Operations Board	34,869	34,869	34,869
CAO: GASP			
CAO: Budget			
CAO: Employee Relations	190,008	59,773	
CAO: General Support			
CAO: Mgt-PlcyAnlys &Dept Liais			
CAO: Municipal Facilities			
ATTY: GASP			
ATTY: Civil Litig. & Work Comp			
ATTY: Employee Relations			
ATTY: Municipal Counsel			
ATTY: Land Use			
ATTY: Police Division			
CITY CLERK: GASP			
CITY CLERK: Council & Pub Svcs	58,979	18,558	54,813
CITY CLERK: Records Mgt.			
CITY ETHICS COMMISSION	131,136	131,136	229,488
CONTROLLER: GASP			
CONTROLLER: Accts. Payable			
CONTROLLER: Budget& Gen. Acct.	85,420	84,883	90,318
CONTROLLER: CAP	6,229	6,229	6,229
CONTROLLER: FMS	14,284	13,893	21,399
CONTROLLER: Internal Audit	147,939	14,696	14,206
CONTROLLER: Payroll &FiscalSys	652,505	205,266	
CONTROLLER: Single Audit			
COUNCIL: City Admin. & CLA			
EMER MANAGEMENT: GASP			
EMER MGT: City Dept Coord.	81,661	81,661	81,661
EMPLOYEE RELATIONS BOARD	46,942	14,767	174,527
FINANCE: GASP			
FINANCE: Cash & Debt Admin			
FINANCE: Citywide Collections			
GSD: GASP			

# CAP 46 DRAFT -- NOT YET REVIEWED BY FEDERAL GOVERNMENT

## SCHEDULE A -- Central Service Costs Allocated to Proprietary Departments

Extracted From CAP 46 Exported Excel Stepdown Report

Based on 2021-22 Expenditures

Allocated Indirect Costs	Airports	Harbor	Water & Power
GSD: AssetsMgmt/Leasg/RealEst			
GSD: Building Services			10,199
GSD: Construction Division	1,059,927	633	8,229
GSD: Fleet Services			960,703
GSD: Mail Services			
GSD: Parking Services			
GSD: Supply Management			
ITA: GASP			
ITA: IT Services			
ITA: Communication Services			
ITA: Channel 35 (formerTelecom)			
MAYOR: GASP			
MAYOR: Dept Liaison - City Adm			
PERSONNEL: GASP			
PERSONNEL: Workers Comp			
PERSONNEL: Support Services	2,542,748	799,900	5,954,773
POLICE: GASP			
POLICE: Security Svcs.Civilian			
POLICE: Security Svcs. Sworn			
PUBLIC ACCOUNTABILITY			2,629,206
PW BOARD: GASP			
PW BOARD: Fin Mgt & Per Svcs			
PW BOARD: Commission&Dept.Mgt.			
PW CON ADM: GASP			
PW CON ADM: Off.ofContr.Compl.			271,528
PENSIONS ADMIN. Overheads			
CERS ADMIN. Overheads			
CARRY FORWARD, Positive			
CARRY FORWARD, Negative			
<b>Grand Total</b>	<b>5,145,884</b>	<b>1,579,583</b>	<b>11,078,482</b>

Highlighted amounts are directly billed.

Note: There may be additional charges that are directly billed that the Controller's Office is not aware of.

Draft Release Date to departments: 2/23/24




LOS ANGELES FIRE DEPARTMENT  
Summary of Cost of Special Services  
Provided to the Department of Water and Power  
FY 2024-25 Estimate  
Cost Of Hydrant Testing Services

HYDRANTS TESTED	FY 2024-25 ESTIMATED COST
TOTAL DWP COSTS	\$2,677,256.17
TOTAL UNITS TESTED	\$60,461
AVERAGE COST PER UNIT	\$44.28

**CITY OF LOS ANGELES**  
INTERDEPARTMENTAL CORRESPONDENCE

Date: August 12, 2024

To: Matthew Szabo, City Administrative Officer  
Attention: Annie Wang, Sr. Administrative Analyst  
Office of the City Administrative Officer

From: Diana Mangioglu, City Treasurer / Director of Finance  
Office of Finance  For

Subject: **ESTIMATED COSTS FOR SPECIAL SERVICES PROVIDED TO PROPRIETARY DEPARTMENTS FOR FISCAL YEAR 2024-25**

Enclosed is the Estimated Cost Computation of Special Service for Fiscal Year 2024-245(Form 638-A) for the Office of Finance. The report is based on actual costs of special services provided to the proprietary departments from July 2022 to June 2023 and preliminary CAP 46.

The amounts for the three proprietary departments are as follows:

Department of Airports:	\$ 925,336
Port of Los Angeles:	\$ 504,558
Department of Water and Power:	\$2,112,363

If you require any further information, please contact Peter Hoang, Senior Accountant II, at (213) 978-2614 or Lilian Buranabul, Acting Dept. Chief Accountant, at (213) 978-1739.

Attachment

cc: Angela Berumen, Office of Finance



## Public Accountability

The Office of Public Accountability (OPA) is a City Charter mandated Office that was created to provide public independent analysis of Department of Water and Power (DWP) actions as they relate to water and electricity rates. OPA is charged with shedding greater light on DWP's operations and finances, and analyzing proposed changes in water and power rates independent of the DWP and City Officials. All direct and indirect costs of the OPA are reimbursed by the DWP.

Actual	Adopted	Estimated	Total
Expenditures	Budget	Expenditures	Budget
2022-23	2023-24	2023-24	2024-25

### EXPENDITURES AND APPROPRIATIONS

Salaries			
808,625	1,726,616	985,000	Salaries General
			1,797,545
808,625	1,726,616	985,000	Total Salaries
			1,797,545
Expense			
-	6,500	2,000	Printing and Binding
			6,500
-	10,000	-	Travel
			10,000
80,662	2,100,512	676,000	Contractual Services
			2,289,329
6,000	9,500	7,000	Transportation
			9,500
17,222	22,210	5,000	Office and Administrative
			22,210
103,884	2,148,722	690,000	Total Expense
			2,337,539
912,509	3,875,338	1,675,000	Total Public Accountability
			4,135,084

Actual	Adopted	Estimated	Total
Expenditures	Budget	Expenditures	Budget
2022-23	2023-24	2023-24	2024-25

### SOURCES OF FUNDS

912,509	3,875,338	1,675,000	General Fund	4,135,084
912,509	3,875,338	1,675,000	Total Funds	4,135,084



**Public Accountability**

**SUPPORTING DATA**

**DISTRIBUTION OF 2024-25 TOTAL COST OF PROGRAMS**

	AK1101 Public Accountability and Ratepayer Advocate	Total
<b>Budget</b>		
Salaries	1,797,545	1,797,545
Expense	2,337,539	2,337,539
Equipment	-	-
Special	-	-
Total Departmental Budget	4,135,084	4,135,084
Support Program Allocation	-	-
<b>Related and Indirect Costs</b>		
Pensions and Retirement	611,805	611,805
Human Resources Benefits	165,676	165,676
Water and Electricity	23,332	23,332
Building Services	117,646	117,646
Other Department Related Costs	60,762	60,762
Capital Finance and Wastewater	-	-
Bond Interest and Redemption	-	-
Liability Claims	-	-
Judgement Obligation Bond Debt Service	-	-
Other Special Purpose Allocations	-	-
Non-Department Allocations	814,485	814,485
Subtotal Related Costs	1,793,706	1,793,706
Cost Allocated to Other Departments	-	-
<b>Total Cost of Program</b>	<b>5,928,790</b>	<b>5,928,790</b>
Positions	9	9

## Public Accountability

	Mayor's Proposal	Council Changes	Mayor's Changes	Final
	Budget	Budget	Budget	Budget
	Appropriation	Appropriation	Appropriation	Appropriation
	2024-25	2024-25	2024-25	2024-25

### EXPENDITURES AND APPROPRIATIONS

#### Salaries

Salaries General	964,821	1,797,545	-	-
Total Salaries	964,821	1,797,545	-	-

#### Expense

Printing and Binding	6,500	6,500	-	-
Travel	10,000	10,000	-	-
Contractual Services	1,708,329	2,289,329	-	-
Transportation	9,500	9,500	-	-
Office and Administrative	22,210	22,210	-	-
Total Expense	1,756,539	2,337,539	-	-

#### Total Public Accountability

2,721,360	4,135,084	-	-
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### SOURCES OF FUNDS

General Fund	2,721,360	4,135,084	-	-
Total Funds	2,721,360	4,135,084	-	-

## Unappropriated Balance

	Mayor's Proposal Budget Appropriation 2024-25	Council Changes Budget Appropriation 2024-25	Mayor's Changes Budget Appropriation 2024-25	Final Budget Appropriation 2024-25
<b>EXPENDITURES AND APPROPRIATIONS</b>				
<b>Special</b>				
Animal Sterilization Trust Fund	-	1,500,000	-	-
City Charter Reform	-	500,000	-	-
CleanLA	-	2,600,780	-	-
Department Payroll Reconciliation	122,315,364	104,829,960	-	-
Domestic Violence and Human Trafficking Shelter Operations	-	2,000,000	-	-
Elected Officials Transition Expenses	775,000	775,000	-	-
Election Expenses - General Municipal Elections	9,000,000	9,000,000	-	-
Equipment, Expenses, and Alterations & Improvements	6,181,000	6,181,000	-	-
Fire Positions Reserve	-	406,770	-	-
General	50,000	50,000	-	-
Ground Emergency Medical Transport QAF Program	30,000,000	27,400,000	-	-
LAHSA Homeless Engagement Teams	4,075,686	4,075,686	-	-
LAHSA Outreach Navigators	629,583	629,583	-	-
Mutual Aid Overtime	3,000,000	3,000,000	-	-
Neighborhood Councils	32,000	32,000	-	-
Office of Public Accountability	742,414	742,414	-	-
Outside Counsel including Workers' Compensation	3,250,000	3,250,000	-	-
Rancho LPG Facility Amortization Study	-	300,000	-	-
Reserve for Allocation of FEMA Reimbursement	90,477,453	90,477,453	-	-
Reserve for Extraordinary Liability	20,000,000	20,000,000	-	-
Reserve for Mid-Year Adjustments	30,000,000	59,384,134	-	-
Watts Cultural Crescent Planning	-	137,155	-	-
Wildland Fuel Management Paid Crew	-	1,182,000	-	-
Total Special	320,528,500	338,453,935	-	-
<b>Total Unappropriated Balance</b>	<b>320,528,500</b>	<b>338,453,935</b>	-	-
<b>SOURCES OF FUNDS</b>				
General Fund	320,528,500	338,453,935	-	-
<b>Total Funds</b>	<b>320,528,500</b>	<b>338,453,935</b>	-	-

# CITY OF LOS ANGELES

CALIFORNIA

MATTHEW W. SZABO  
CITY ADMINISTRATIVE OFFICER



KAREN BASS  
MAYOR

ASSISTANT  
CITY ADMINISTRATIVE OFFICERS

PATRICIA J. HUBER  
MALAIKA BILLUPS  
BEN CEJA  
YOLANDA CHAVEZ  
EDWIN GIPSON II

August 15, 2024

0160-01221-0296

Ms. Janisse Quiñones  
Chief Executive Officer and Chief Engineer  
Department of Water and Power  
111 North Hope Street  
Los Angeles, CA 90012-2607

Attention: Ms. Ann Santilli  
Chief Financial Officer

Dear Ms. Quiñones:

Subject: **RECONCILIATION OF ACTUAL COSTS OF OFFICE OF PUBLIC  
ACCOUNTABILITY (OPA) FISCAL YEAR 2023-24**

Please consider this the final bill and reconciliation of costs for OPA and services provided to OPA by the City Administrative Officer (CAO) and City Clerk for fiscal year 2023-24 in the amount of a \$269,259.82 due from the Department of Water and Power (DWP). Attached is a schedule showing the differences between the actual costs of OPA, the actual costs of the support provided by the CAO, the actual costs of the support provided by the City Clerk, and payments received by each department in fiscal year 2023-24. Also attached for your reference are actual cost reports of expenditures. The appropriate Cost Allocation Plan (CAP 46) rates for fiscal year 2023-24 were used to calculate indirect costs.

The actual cost of OPA during fiscal year 2023-24 amounted to \$2,068,243.48. This amount included OPA salaries and indirect costs, printing and binding, travel, contractual services, transportation and mileage, and office and administrative expenses. Payments received by OPA for fiscal year 2023-24 totaled \$1,856,866.23, netting a difference of \$211,377.25 due from DWP to OPA.

The cost of CAO support staff that provided services to OPA in fiscal year 2023-24 was \$240,208.99. This amount included salaries for time billed to OPA support

and indirect costs. Total payments received by the CAO for fiscal year 2023-24 were \$192,534.34, netting a difference of \$47,674.65 due from DWP to CAO.

The cost of City Clerk support staff that provided services to OPA for fiscal year 2023-24 was \$94,190.34. This amount included salaries for time billed to OPA support and indirect costs. Total payments received by the City Clerk in fiscal year 2023-24 totaled \$83,982.42, netting a difference of \$10,207.92 due from DWP to City Clerk.

To reconcile the actual costs outlined above, the net amounts owed by DWP for OPA, CAO, and City Clerk services (\$211,377.25, \$47,674.65, and \$10,207.92, respectively) will be added to the estimated invoice for 2024-25.

If you have any questions or need additional information, please contact Annie Wang (telephone 213-978-1696 or e-mail at [Annie.Wang@lacity.org](mailto:Annie.Wang@lacity.org)) or Melissa Krance (telephone 213-473-7582 or e-mail at [Melissa.Krance@lacity.org](mailto:Melissa.Krance@lacity.org)).

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Szabo'.

Matthew W. Szabo  
City Administrative Officer

MWS:AW:03250002d

#### Attachments

CC: Dr. Frederick H. Pickel, Office of Public Accountability  
Mr. Edward Moreno, Office of the City Clerk  
Ms. Jacqueline Wagner, Office of the CAO  
Ms. Elizabeth Lee, Office of the CAO  
Mr. Kyle Chan, Department of Water and Power  
Ms. Anne Phan, Department of Water and Power  
Ms. Cynthia Maldonado, Department of Water and Power  
Ms. Tereza Karayan, Department of Water and Power  
Mr. Wally Oyewole, Office of the City Controller  
Ms. Melissa Villanueva, Office of the City Controller  
Ms. Armenuhi Oganessian, Office of the City Controller

City Department	Dept No.	Original estimated costs for FY 2023-24	C	D	E	F	G	H	I	J
				Final 2022-23 Balance Due to (from) the City	Estimated costs plus 2022-23 balance due to (from) the City (C+D)	Payment on 1st semi-annual bill received on 1/10/24	Payment on 2nd semi-annual bill received on 6/18/24	Total Payments for FY23-24 (F+G-D)	Actual Costs for FY23-24	Difference due to/(from) the City (I-H)
<b>Direct Services</b>										
Office of Public Accountability	11	\$ 2,128,470.90		<b>(\$322,320.77)</b>	\$ 1,806,150.13	\$903,075.06	\$631,470.40	\$1,856,866.23	\$2,068,243.48	\$211,377.25
CAO (Proprietary Analysis)	10	\$ 115,856.80		\$19,898.66	\$ 135,755.46	\$67,877.73	\$144,555.27	\$192,534.34	\$240,208.99	\$47,674.65
City Clerk	14	\$ 111,832.72		<b>(\$3,106.03)</b>	\$ 108,726.69	\$54,363.35	\$26,513.04	\$83,982.42	\$94,190.34	\$10,207.92
<b>Total OPA Direct Services</b>		<b>\$2,356,160.42</b>		<b>(\$305,528.14)</b>	<b>\$2,050,632.28</b>	<b>\$1,025,316.14</b>	<b>\$802,538.71</b>	<b>\$2,133,382.99</b>	<b>\$2,402,642.81</b>	<b>\$269,259.82</b>

Notes/Assumptions:

1. CAP 46 is the appropriate CAP for FY2023-24, and is used in calculating actual costs.