

**Hollywood Boundary Scenarios
Overview of Allocations and Findings Affecting Resolution**

| | Final Adopted Boundaries | |
|----------------------------------|---------------------------------|----------------|
| General Statistics | | |
| Population | 4.97% | 183,713 |
| Registered Voters | | 77,142 |
| Land Area | 2.88% | 14.455 |
| Employee Share | 4.27% | 1,467 |
| Fiscal Findings | | |
| Mitigation Payment | | 21,320,690 |
| Third Year Cash Balance Ratio | 10.01% | |
| Sales Tax Revenue Offset | 6.32% | \$ 22,577,092 |
| Debt Allocation Factors | | |
| General Fund Revenue | 4.88% | \$ 153,299,022 |
| Special Parking Revenue | 8.70% | \$ 2,202,262 |
| Sanitation Equipment | 5.09% | \$ 2,433,612 |
| Police/Fire Employment | 4.51% | |
| Provisional Appropriations Limit | | \$ 214,340,468 |

**Hollywood Boundary Scenarios
Special Fund Balance Allocation Factors**

| | Final Adopted Boundaries |
|---|-------------------------------------|
| Special Fund Balance Allocations | |
| Sewer Construction and Maintenance Fund | 0.00% |
| Special Gas Tax Street Improvement Fund | 4.97% |
| Proposition A Local Transit Assistance Fund | 4.97% |
| San. Equipment Charge Special Revenue Fund | 5.09% |
| Street Lighting Maintenance Assessment Fund | 4.58% |
| Community Development Trust Fund | 4.97% |
| Proposition C Anti-Gridlock Transit Impr. Fund | 4.97% |
| Stormwater Pollution Abatement Fund | 8.06% |
| Convention Center Revenue Fund | 0.00% |
| Local Public Safety Fund | 4.88% |
| Special Parking Revenue Fund | 8.70% |
| Zoo Enterprise Trust Fund | 0.00% |
| Schedule 29 Allocations from other sources | 4.49% |
| Traffic Safety Fund | 4.97% |
| L. A. Conv. and Visitor's Bureau Trust Fund | 4.74% |
| Spec. Police Communications/911 System Tax | 0.00% |
| Job Training Partership Act Trust Fund | 4.97% |
| Workforce Investment Act | 4.97% |
| Arts and Cul. Fac. and Services Trust Fund | 4.72% |
| Supplemental Law Enforcement Services | 4.97% |
| Reserve for Extraordinary Liability Claims | 0.00% |
| Rent Stabilization Trust Fund | 10.26% |
| Local Law Enforcement Block Grant Fund | 4.97% |
| CERS - Airport Revenue | 0.00% |
| Code Enforcement Trust Fund | 4.97% |
| Spec. Fire Safety and Para. Communications | 0.00% |
| Forfeited Assets Trust Fund | 4.97% |
| Procurement Reengineering Trust Fund | 0.00% |
| Mobile Source Air Pollution | 4.97% |
| Affordable Housing Trust Fund | 4.97% |
| Building and Safety Sys. Devel. Trust Fund | 4.97% |
| HOME Investment Partnerships Program Fund | 4.97% |
| Street Damage Restoration Fee Fund | 4.27% |
| Telecom. Liq. Dam. and Lost Franchise Fees | 4.97% |
| Staples Arena Special Fund | 0.00% |
| El Pueblo de Los Angeles Hist. Mon. Rev. | 0.00% |
| Household Hazardous Waste Special Fund | 4.97% |
| Arts Development Fee Trust Fund | 4.97% |
| City Employees Ridesharing Fund | 4.97% |
| Major Projects Review Trust Fund | 0.00% |
| Landfill Maintenance Special Fund | 4.97% |
| Older Americans Act Fund | 0.00% |
| Municipal Housing Finance Fund | 4.97% |
| Neighborhood Empowerment Fund | 4.88% |
| Local Transportation Fund | 4.97% |
| Community Services Administration Grant | 4.97% |
| City Ethics Commission Fund | 4.27% |
| Park and Recreational Sites and Facilities Fund | 4.97% |
| Housing Opportunities for Persons with AIDS | 4.97% |
| Disaster Assistance Trust Fund | 0.00% |

Hollywood Special Reorganization Area Revenue Allocations
Current Revenues of the City of Los Angeles

(Amounts in FY 2000-01 dollars)

| | Executive Officer Estimates | |
|--|--------------------------------------|--------------------|
| | Based on LA City Actual Revenues (1) | |
| | Final Adopted Boundaries | |
| | % | \$ |
| TOTAL RECEIPTS | 4.24% | 186,202,171 |
| General Fund Revenues | 4.88% | 153,299,022 |
| Property Tax | 4.54% | 26,680,674 |
| Utility Users Tax | 5.20% | 29,001,371 |
| Licenses, Permits, Fees & Fines | 0.00% | 14,043,930 |
| Sales Tax | 6.32% | 22,577,092 |
| Business Tax | 4.41% | 15,203,197 |
| State Motor Vehicle License Fees (2) | 4.97% | 9,998,780 |
| Power Revenue Transfer | 0.00% | - |
| Transient Occupancy Tax | 4.74% | 5,142,480 |
| Municipal Court Fines | 17.51% | 16,929,996 |
| Documentary Transfer Tax (3) | 4.79% | 4,104,110 |
| Parking Users Tax | 3.82% | 2,271,844 |
| Franchise Income (4) | 3.84% | 2,012,180 |
| Interest | 4.88% | 1,542,819 |
| Water Revenue Transfer | 0.00% | - |
| Grant Receipts | 4.97% | 910,434 |
| Transfer from Reserve Fund | 4.88% | 806,458 |
| State Budget Relief | 4.54% | 655,044 |
| Tobacco Settlement | 4.88% | 467,426 |
| Transfer of Reserve Fund Loan | 4.88% | 390,417 |
| Transfer from Telecomm. Dev. Account | 4.98% | 226,974 |
| Transfer from Reserve Fund--MICLA funds | 4.88% | 195,209 |
| Residential Development Fee | 2.75% | 62,349 |
| Civic Center Parking Income | 0.00% | - |
| Transit Shelter Income | 6.17% | 76,236 |
| Los Angeles Mall Rental Income | 0.00% | - |
| Capital Finance Admin. Transfer | NA | NA |
| Special Purpose Fund Revenues | 2.77% | 32,903,149 |
| Sewer Construction and Maintenance Fund | 0.00% | - |
| Special Gas Tax Street Improvement Fund | 4.97% | 6,031,854 |
| Proposition A Local Transit Assistance Fund | 4.97% | 3,700,924 |
| San. Equipment Charge Special Revenue Fund | 5.09% | 2,433,612 |
| Street Lighting Maintenance Assessment Fund | 4.58% | 2,073,767 |
| Community Development Trust Fund | 4.97% | 2,189,672 |
| Proposition C Anti-Gridlock Transit Impr. Fund | 4.97% | 1,713,960 |
| Stormwater Pollution Abatement Fund | 8.06% | 2,530,960 |
| Convention Center Revenue Fund | 0.00% | - |

Hollywood Special Reorganization Area Revenue Allocations
Current Revenues of the City of Los Angeles
(Amounts in FY 2000-01 dollars)

| | Executive Officer Estimates | |
|---|--------------------------------------|-----------|
| | Based on LA City Actual Revenues (1) | |
| | Final Adopted Boundaries | |
| | % | \$ |
| Local Public Safety Fund | 4.88% | 1,466,257 |
| Special Parking Revenue Fund | 8.70% | 2,202,262 |
| Zoo Enterprise Trust Fund | 0.00% | - |
| Schedule 29 Allocations from other sources | 4.49% | 837,370 |
| Traffic Safety Fund | 4.97% | 822,813 |
| L. A. Conv. and Visitor's Bureau Trust Fund | 4.74% | 773,073 |
| Spec. Police Communications/911 System Tax | 0.00% | - |
| Job Training Partnership Act Trust Fund | 4.97% | 586,794 |
| Workforce Investment Act | 4.97% | 560,192 |
| Arts and Cul. Fac. and Services Trust Fund | 4.72% | 419,219 |
| Supplemental Law Enforcement Services | 4.97% | 425,249 |
| Reserve for Extraordinary Liability Claims | 0.00% | - |
| Rent Stabilization Trust Fund | 10.26% | 853,232 |
| Local Law Enforcement Block Grant Fund | 4.97% | 407,670 |
| CERS - Airport Revenue | 0.00% | - |
| Code Enforcement Trust Fund | 4.97% | 360,892 |
| Spec. Fire Safety and Para. Communications | 0.00% | - |
| Forfeited Assets Trust Fund | 4.97% | 311,543 |
| Procurement Reengineering Trust Fund | 0.00% | - |
| Mobile Source Air Pollution | 4.97% | 280,075 |
| Affordable Housing Trust Fund | 4.97% | 253,753 |
| Building and Safety Sys. Devel. Trust Fund | 4.97% | 232,121 |
| HOME Investment Partnerships Program Fund | 4.97% | 224,675 |
| Street Damage Restoration Fee Fund | 4.27% | 190,872 |
| Telecom. Liq. Dam. and Lost Franchise Fees | 4.97% | 213,859 |
| Staples Arena Special Fund | 0.00% | - |
| El Pueblo de Los Angeles Hist. Mon. Rev. | 0.00% | - |
| Household Hazardous Waste Special Fund | 4.97% | 109,367 |
| Arts Development Fee Trust Fund | 4.97% | 98,752 |
| City Employees Ridesharing Fund | 4.97% | 90,844 |
| Major Projects Review Trust Fund | 0.00% | - |
| Landfill Maintenance Special Fund | 4.97% | 87,547 |
| Older Americans Act Fund | 0.00% | - |
| Municipal Housing Finance Fund | 4.97% | 82,478 |
| Neighborhood Empowerment Fund | 4.88% | 77,338 |
| Local Transportation Fund | 4.97% | 73,353 |
| Community Services Administration Grant | 4.97% | 69,281 |
| City Ethics Commission Fund | 4.27% | 48,560 |
| Park and Recreational Sites and Facilities Fund | 4.97% | 55,853 |

Hollywood Special Reorganization Area Revenue Allocations
Current Revenues of the City of Los Angeles
(Amounts in FY 2000-01 dollars)

| | <u>Executive Officer Estimates</u> Based on LA City Actual Revenues (1) | |
|---|---|--------|
| | Final Adopted Boundaries | |
| | % | \$ |
| Housing Opportunities for Persons with AIDS | 4.97% | 13,105 |
| CERS - Harbor Revenue | NA | - |
| Rental Housing Production Fund | NA | - |
| Bicycle License Fund | NA | - |
| Disaster Assistance Trust Fund | 0.00% | - |
| <u>Special Purpose Fund Balances</u> | NA | NA |
| <u>Bond Redemption & Interest Fund</u> | 0.00% | - |

Notes:

- (1) Actual City of Los Angeles receipts for fiscal year 2000-01 were 2% higher than receipts anticipated in the City's adopted budget.
- (2) State motor vehicle license fees (VLF) reflect the portion of the City's current VLF revenues that would accrue to the proposed city. Additional VLF revenues would accrue to the proposed city following special reorganization due to a state funding formula that favors newly incorporated cities during their early years. This VLF "boost" is reflected in the fiscal viability computations.
- (3) Documentary transfer tax (DTT) estimates reflect the portion of the City's current DTT receipts that are generated in Hollywood. Because the proposed city would lack the authority to levy a DTT at the rate currently levied by the City of Los Angeles, the proposed city would not actually receive all the current DTT revenue.
- (4) Franchise income estimates reflect the portion of franchise fees currently generated in the proposed special reorganization area, and do not include potential revenues the proposed city would earn by levying a franchise fee on electric or water utility providers.

Hollywood Special Reorganization Area Expenditure Allocations
Current Expenditures of the City of Los Angeles

(Amounts in FY 2000-01 dollars)

| | Executive Officer Estimates | |
|---|--------------------------------------|--------------------|
| | (1) | |
| | Based on LA City Actual Expenses (2) | |
| | Final Adopted Boundaries | |
| | % | \$ |
| TOTAL | 3.68% | 164,881,480 |
| Departmental Expenses (3) | 4.23% | 114,866,284 |
| Legislative | 4.97% | 1,442,890 |
| Council | 4.97% | 963,113 |
| Mayor | 4.97% | 479,777 |
| City Management Functions | 4.51% | 919,540 |
| City Administrative Office | 4.22% | 428,650 |
| Commission for Children, Youth & Their Families | 4.87% | 65,333 |
| Commission on the Status of Women | 4.97% | 22,979 |
| Department on Disability | 4.47% | 63,571 |
| Emergency Preparedness Department | 4.97% | 49,493 |
| Environmental Affairs | 4.97% | 108,069 |
| Ethics Commission | 4.27% | 57,379 |
| Human Relations Commission | 4.97% | 48,866 |
| Neighborhood Empowerment | 4.97% | 75,199 |
| Public Safety | 4.46% | 54,377,721 |
| Animal Services | 4.97% | 585,830 |
| Fire | 3.98% | 13,959,783 |
| Police | 4.64% | 39,832,107 |
| Public Works & Transportation | 3.46% | 18,454,749 |
| Board of Public Works | 2.48% | 222,515 |
| Bureau of Accounting | 2.48% | 103,762 |
| Bureau of Management-Employee Services | 2.48% | 38,363 |
| Bureau of Contract Administration | 2.18% | 446,001 |
| Bureau of Engineering | 2.93% | 1,852,928 |
| Bureau of Sanitation | 1.99% | 3,437,273 |
| Bureau of Street Lighting | 3.61% | 521,365 |
| Bureau of Street Services | 2.88% | 4,123,943 |
| Transportation | 7.39% | 7,708,599 |
| Building & Planning | 4.84% | 3,590,880 |
| Building & Safety | 4.97% | 2,732,052 |
| Planning | 4.47% | 858,828 |
| General Government | 4.42% | 23,659,492 |
| City Attorney | 4.68% | 3,694,667 |
| City Clerk | 4.97% | 790,220 |

Hollywood Special Reorganization Area Expenditure Allocations
Current Expenditures of the City of Los Angeles

(Amounts in FY 2000-01 dollars)

| | Executive Officer Estimates | |
|---|--------------------------------------|-------------------|
| | (1) | |
| | Based on LA City Actual Expenses (2) | |
| | Final Adopted Boundaries | |
| | % | \$ |
| Controller | 4.27% | 485,410 |
| Finance | 4.47% | 770,515 |
| General Services | 4.42% | 9,394,231 |
| Information Technology Agency | 4.27% | 3,725,062 |
| Human Resources | 4.28% | 4,799,388 |
| Employee Relations Board | 4.27% | 13,401 |
| Personnel | 4.30% | 1,764,630 |
| City Employees' Retirement Fund (4) | 4.27% | 2,874,013 |
| Fire & Police Pension Fund (4) | 4.51% | 147,344 |
| Community Services | 3.83% | 9,397,065 |
| Cultural Affairs | 4.97% | 538,206 |
| Convention Center | 2.53% | 1,673,790 |
| El Pueblo de Los Angeles (4) | 0.00% | - |
| Library (4) | 4.25% | 2,164,806 |
| Recreation & Parks (4) | 4.98% | 5,020,262 |
| Zoo | 0.00% | - |
| Social Services | 5.24% | 3,023,946 |
| Aging | 1.99% | 52,193 |
| Community Development | 4.97% | 1,500,905 |
| Los Angeles Housing Department | 5.89% | 1,470,849 |
| Non-Departmental Expenses | 2.82% | 43,591,144 |
| 2000 Tax and Revenue Anticipation Notes | 4.51% | 6,385,591 |
| Cash Flow TRANS | 4.88% | 402,153 |
| Bond Redemption and Interest | 0.00% | - |
| Capital Finance Administration Fund | 4.65% | 3,927,389 |
| Capital Improvement Expenditure Program | 0.19% | 433,857 |
| Municipal Facilities | 1.31% | 129,504 |
| Physical Plant | 1.31% | 304,353 |
| Wastewater | 0.00% | - |
| General City Purposes | 4.39% | 2,960,488 |
| LA Convention & Visitors Promotion | 4.74% | 868,765 |
| Benefits & Memberships | 4.27% | 2,091,723 |
| Human Resources Benefits | 4.49% | 11,613,786 |
| Workers Compensation | 4.88% | 4,522,576 |
| Other Benefits | 4.27% | 7,091,210 |
| Judgment Obligation Bonds Debt Service Fund | 4.88% | 1,674,479 |

**Hollywood Special Reorganization Area Expenditure Allocations
Current Expenditures of the City of Los Angeles**

(Amounts in FY 2000-01 dollars)

| | Executive Officer Estimates (1) Based on LA City Actual Expenses (2) | |
|--|---|------------------|
| | Final Adopted Boundaries | |
| | % | \$ |
| Liability Claims | 4.88% | 3,882,065 |
| Proposition A Local Transit Assistance Fund | 4.97% | 2,648,898 |
| Prop. C Anti-Gridlock Transit Improvement Fund | 4.97% | 1,044,802 |
| Special Parking Revenue Fund | 8.73% | 594,109 |
| Unappropriated Balance | NA | - |
| Wastewater Special Purpose Fund | 0.00% | - |
| Water and Electricity | 4.27% | 1,314,033 |
| Other Special Purpose Funds | 3.19% | 6,709,493 |
| Budget Surplus (Deficit) (5) | 4.88% | 6,424,053 |

Notes:

- (1) Executive Officer (EO) estimates are based on unrounded cost allocation factors. EO allocation factors are applied to total citywide actual expenditures as reflected in the Mayor's Proposed Budget for the Fiscal Year 2002-03.
- (2) Actual City of Los Angeles expenses for fiscal year 2000-01 were one percent lower than expenses anticipated in the City's adopted budget. Percentage reflects the Hollywood allocation as a percent of total City expenditures in the special reorganization base year.
- (3) Departmental expenditures exclude employee benefits, building costs and other overhead attributable to the department.
- (4) These departments receive certain direct revenues that are not included in the City's budget.
- (5) Budget surplus is the difference between total revenues and total expenditures. In the base year, there was a budget surplus.

| Hollywood Fiscal Allocations for Revenue Neutrality Test | | |
|---|---|---------|
| Current Revenues and Expenditures of the City of Los Angeles (Amounts in thousands of FY 2000-01 dollars) | | |
| | Executive Officer (1) Based on LA City Actuals | |
| | Final Adopted Boundaries | |
| | % | \$ |
| Total Current Receipts (2) | 4.24% | 186,202 |
| General Fund Receipts | 4.88% | 153,299 |
| Special Fund Receipts | 2.77% | 32,903 |
| Special Fund Balances | NA | - |
| Net documentary transfer tax loss | 4.79% | (3,602) |
| Current Receipts Accruing to Proposed City (3) | | 182,600 |
| Total Current Expenditures (4) | 3.68% | 164,881 |
| Departmental Expenditures | 4.23% | 114,866 |
| Non-Departmental Expenditures (5) | 2.82% | 43,591 |
| Savings (6) | 4.88% | 6,424 |
| Revenue Neutrality Test (7) | | 17,718 |
| Fiscal Impact on City of Los Angeles (8) | | 21,321 |
| Notes: | | |
| (1) Executive Officer estimates based on territory adopted for special reorganization. | | |
| (2) Total current receipts generated in Hollywood . | | |
| (3) Receipts accruing to proposed city exclude the documentary transfer tax levied by the City and include half the tax levied by the County. | | |
| (4) Total current expenditures exclude payment from general obligation bond related property taxes, which are allocated in full to the City for debt payment. | | |
| (5) Non-departmental allocations expressed as a percentage of expenditures less bond redemption & interest. | | |
| (6) Savings is the Hollywood portion of the \$132 million City budget surplus. | | |
| (7) Revenue neutrality calculation is the difference between current revenues that would accrue to the new city (i.e. excluding the loss in the documentary transfer tax) and the expenditures that would transfer to the new city. | | |
| (8) Fiscal impact on the City of Los Angeles is the result of the revenue neutrality test plus the loss in documentary transfer tax revenue. | | |

Executive Officer Hollywood Fiscal Viability Computations (1)

(Amounts in thousands of FY 2000-01 dollars)

| | Final Adopted Boundaries | | |
|---|--------------------------|--------------|---------------|
| | FY03-04 | FY04-05 | FY05-06 |
| Hollywood Projected Revenues | 186,150 | 186,150 | 186,150 |
| Total Current Revenues | 186,202 | 186,202 | 186,202 |
| General Fund | 153,299 | 153,299 | 153,299 |
| Special Funds | 32,903 | 32,903 | 32,903 |
| Special Fund Balances | | | |
| Net revenue increase | (52) | (52) | (52) |
| Net documentary transfer tax revenue loss | (3,602) | (3,602) | (3,602) |
| Motor vehicle license fee revenue gains | 2,388 | 2,388 | 2,388 |
| Gas tax revenue gains | 1,163 | 1,163 | 1,163 |
| Hollywood Expenditures | 183,980 | 182,099 | 180,073 |
| Payments to City of Los Angeles | 182,008 | 180,127 | 178,102 |
| Purchased Services (3) | 142,777 | 142,777 | 142,777 |
| Debt Payments (4) | 15,680 | 15,680 | 15,680 |
| Administrative Costs | 1,415 | 1,415 | 1,415 |
| Transition Costs | 815 | | |
| Redistricting | 500 | | |
| Bond Validation, Revenue Collection | 115 | | |
| Special Reorganization Election Costs | 200 | | |
| Fiscal Mitigation Payment | 21,321 | 20,255 | 18,229 |
| Hollywood Personnel | 1,277 | 1,277 | 1,277 |
| Hollywood Non-Departmental Costs | 444 | 444 | 444 |
| Hollywood Fiscal Agent | 250 | 250 | 250 |
| Liquid Assets | | | |
| Reserve Fund Balance Transferred (5) | 2,928 | | |
| Start-up Loan | | | |
| Loan Repayment | | | |
| Surplus (Deficit) | 2,170 | 4,051 | 6,077 |
| Available Balance | | | |
| Beginning of year | 2,928 | 5,098 | 9,149 |
| As % of general fund revenues | 1.93% | 3.35% | 6.02% |
| End of year | 5,098 | 9,149 | 15,226 |
| As % of general fund revenues | 3.35% | 6.02% | 10.01% |

Notes:

- (1) Executive Officer estimates based on actual City of Los Angeles revenues and expenditures.
- (2) The Government Code requires the fiscal mitigation to consider revenues that accrue to the new city. It is within the Commission's discretion to include Hollywood's lost documentary transfer tax revenue. The recommended fiscal mitigation payment is \$21 million, and the minimum required fiscal mitigation payment is \$17.7 million.
- (3) Payment to City of Los Angeles for purchased services includes all current expenditures except budget surplus and debt payments.
- (4) Convention Center, Capital Finance Administration Fund, judgment obligation bonds, workers compensation, and tort liability under debt payments. Sanitation and parking revenue bonded debt payments included under services purchased from City of Los Angeles.
- (5) Transferred reserve fund balance is expected to be approximately \$5 million, including a share of the \$60 million emergency reserve fund and the \$45 million contingency reserve fund. The reserve fund allocations in this chart are conservative and assume that only the emergency reserve fund balance will be available for apportionment.