



LIUNA 777
Laborers Union
of North America



COALITION OF LA CITY UNIONS

presentation on
the FY2026-27
Proposed Budget

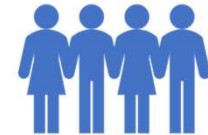
City of Los Angeles
Budget and Finance
Committee Hearing

April 27, 2026

PRESENTATION OVERVIEW



City workforce & equity
measurements in payroll



City workforce staffing = large
scale economic development



Staffing and Service concerns



New Revenue ideas

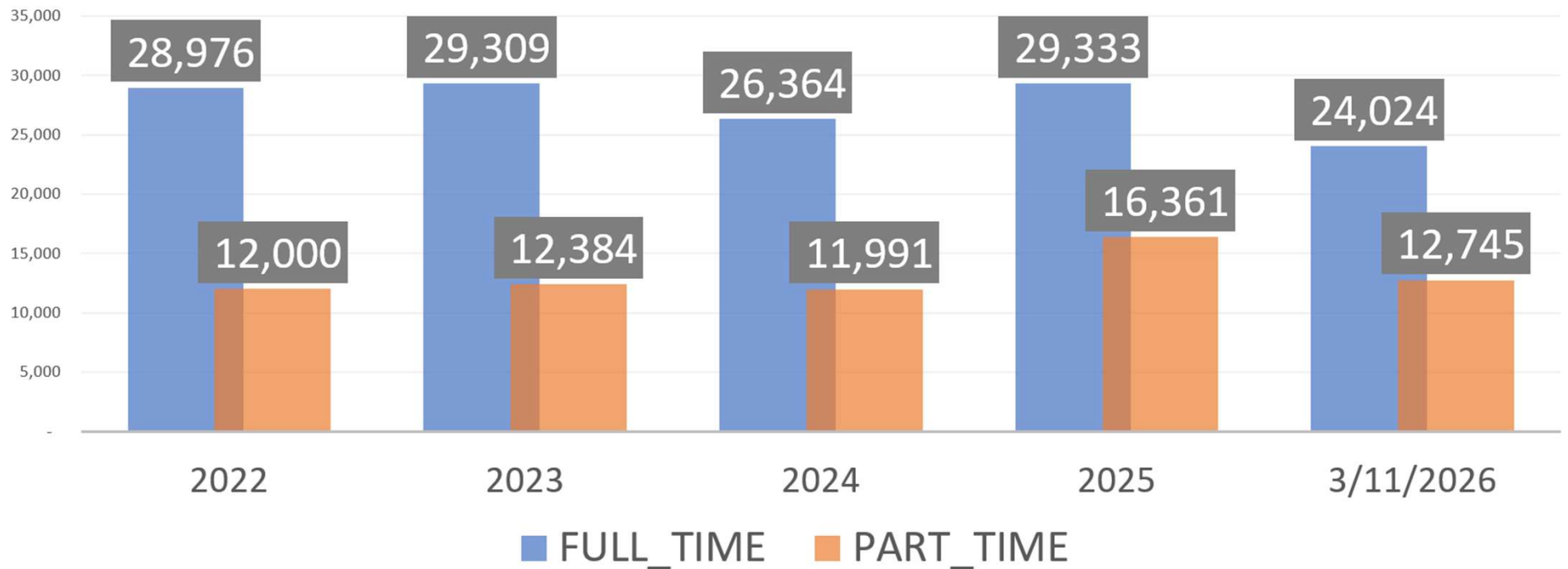
Payroll snapshot 3/11/2026

36,777 civilian
payroll records
city wide (minus DWP)

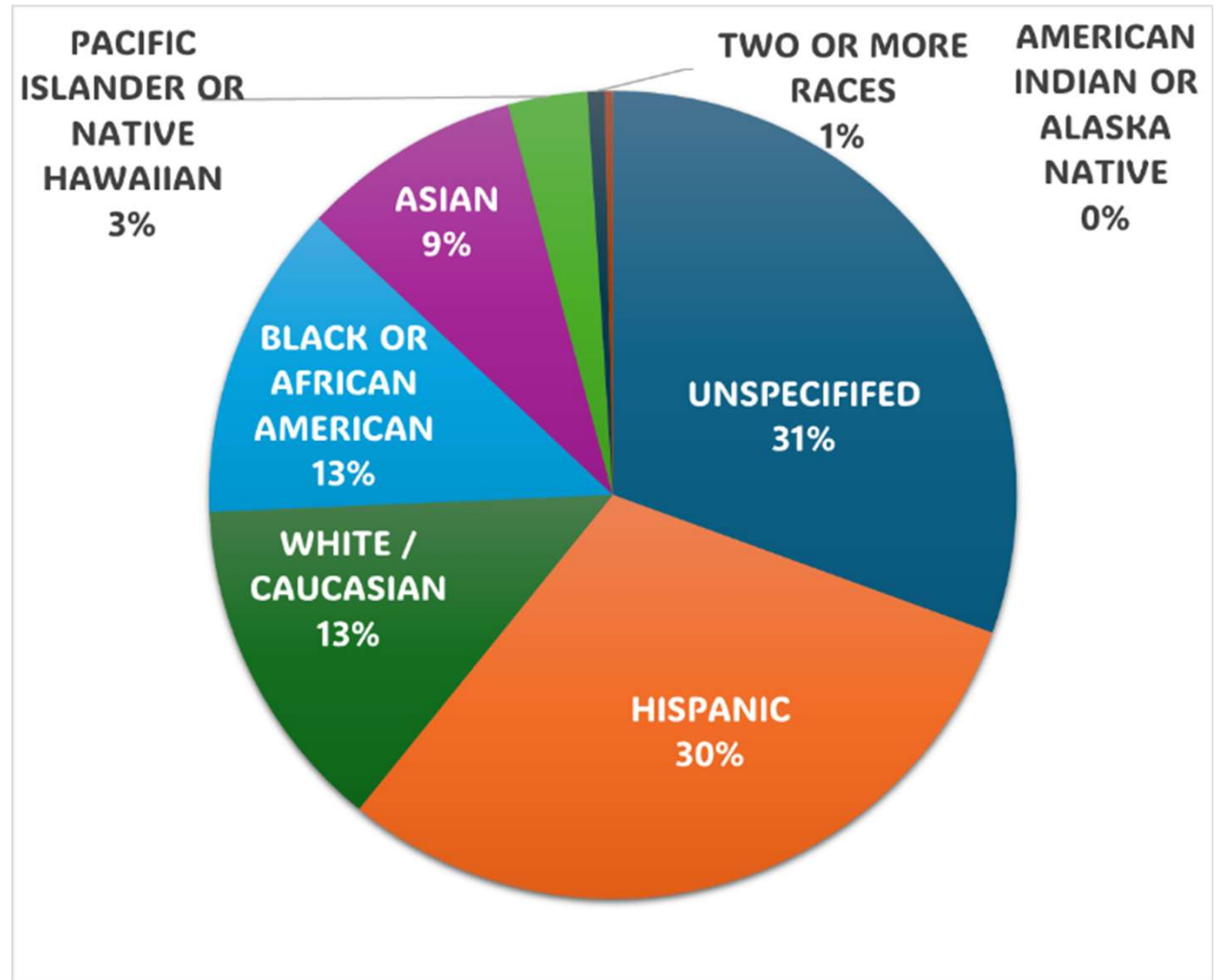
68% are in the
Coalition of LA
Unions MOUs

Employment Types of Civilian Workers in payroll

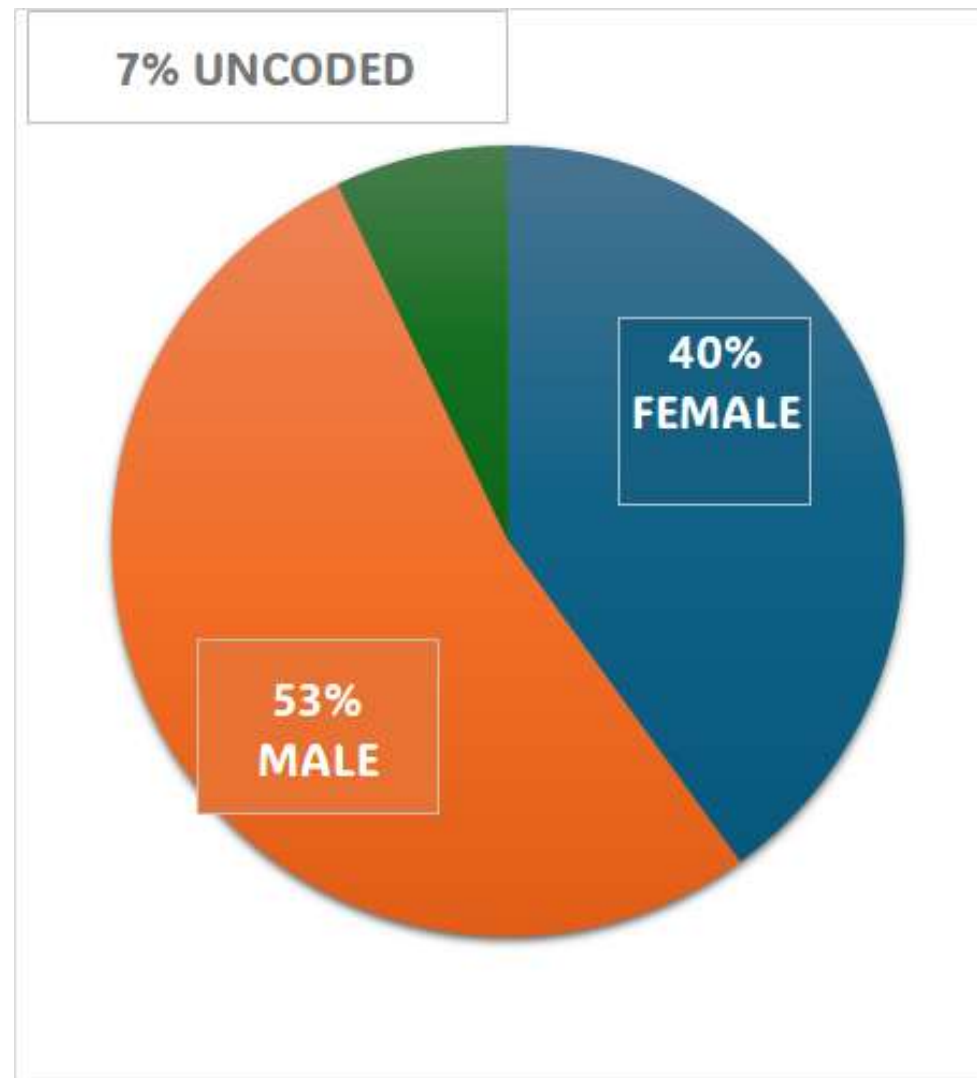
Employment Type in five years of payroll (No DWP or Sworn)



Civilian Ethnicity in 3/11/2026 payroll

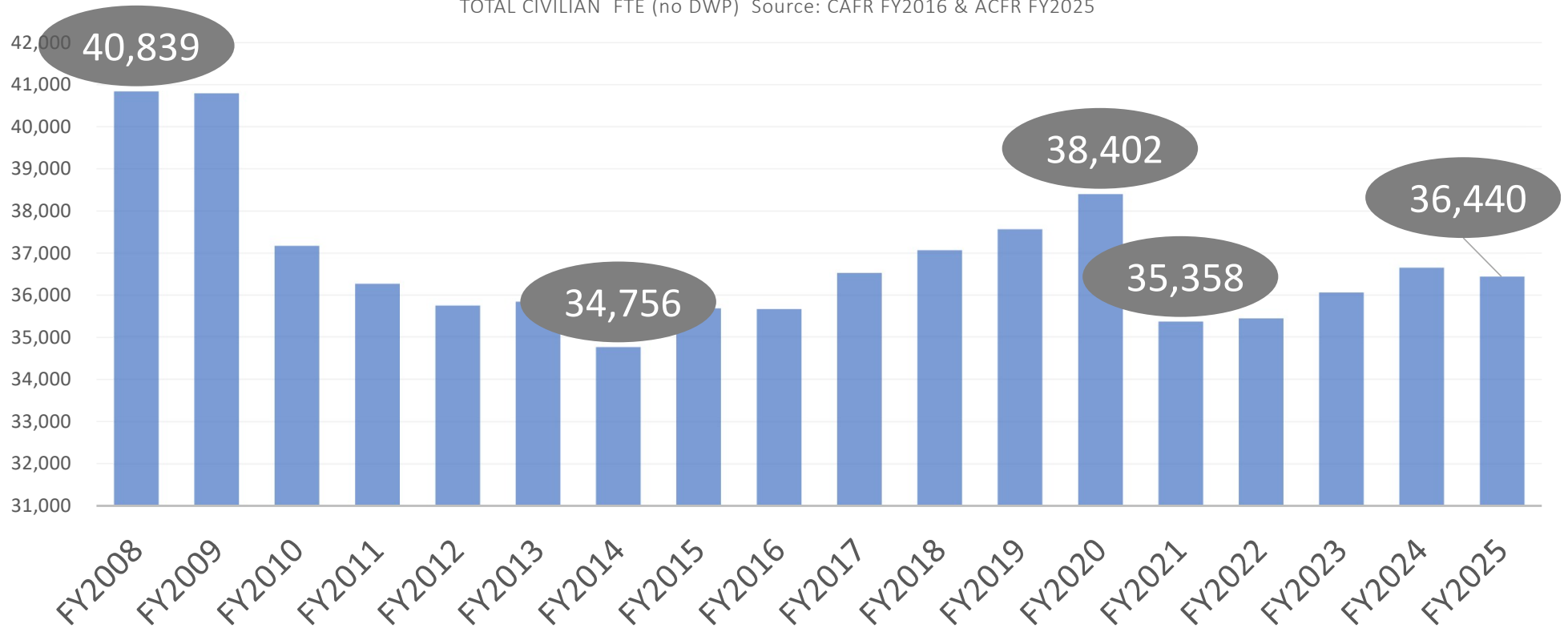


Civilian Gender in 3/11/2026 payroll



Civilian FTE since 2008 Wall Street Bank Crisis

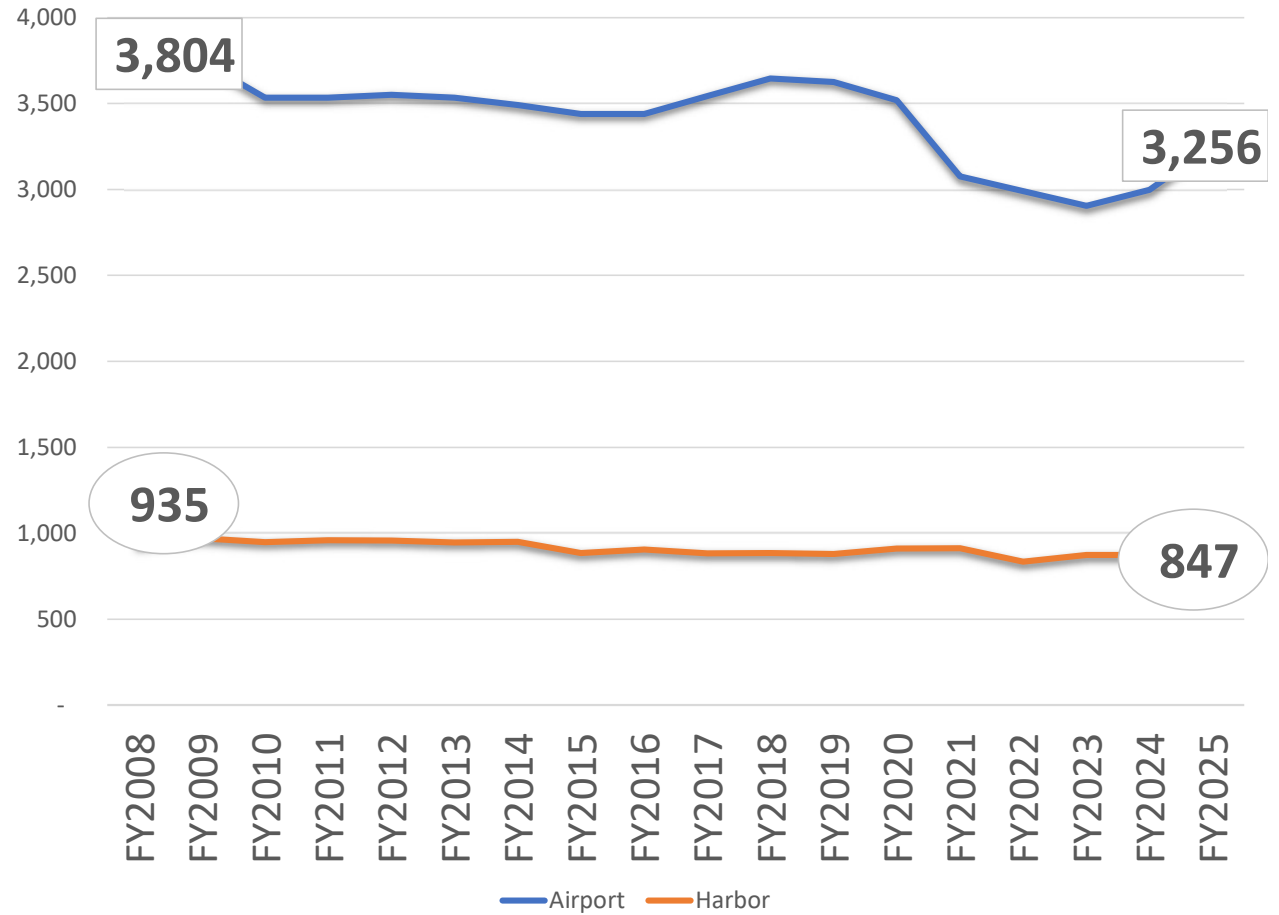
TOTAL CIVILIAN FTE (no DWP) Source: CAFR FY2016 & ACFR FY2025



Airport and Harbor Civilian FTE since FY2008

Enterprise Funds (no DWP)

Source: CAFR 2016 & ACFR 2025



Coalition specific numbers per March vacancy report

Vacancy Report as of 3/31/26	Filled	Frozen	Vacant	Total
MOU 02: Building Trades	713	58	79	850
MOU 03: Clerical	3,172	192	442	3,806
MOU 04: Equipment Operation and Labor	2,731	93	267	3,091
MOU 06: Librarians	274	1	38	313
MOU 08: Professional Engineering and Scientific	1,389	67	194	1,650
MOU 09: Plant Equipment Operation and Repair	282	19	96	397
MOU 10: Professional Medical	88	4	5	97
MOU 11: Recreational	339	27	56	422
MOU 12: Supervisory Blue Collar	673	29	50	752
MOU 13: Supervisory Building Trades	108	13	14	135
MOU 14: Service and Crafts	684	101	202	987
MOU 15: Service Employees	280	3	36	319
MOU 16: Supervisory Librarians	109		10	119
MOU 17: Supervisory Professional Engineering and Scientific	495	32	65	592
MOU 18: Safety / Security	962	67	64	1,093
MOU 37: Executive Administrative Assistants	69	12	19	100
Grand Total as of 3/31/26	12,368	718	1,637	14,723

There are 2,355 unfilled (frozen and vacant) Coalition positions as of March 2026. Fill those vacancies!

Civil Service: Merit-Based Hiring System

U.S. Reconstruction politics shaped early Civil Service system

LA Pre-City Charter: “To the victor go the spoils” system of hiring and discipline

Civil Service merit-based staffing: Protects against political abuse & corruption

Worker Loyalty Oath makes us Disaster Service Workers during crisis times

OATH OF LOYALTY (GOVERNMENT CODE §3102)		
I, [REDACTED]	PRINT NAME	
do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.		
[REDACTED]	Commission on Community and Family Member, Services DEPARTMENT	6 July 2023 DATE
SIGNATURE		

TARGETED POPULATIONS



Veterans



PERSONS
with
Disabilities



Transgender
Individuals



Older Workers
protected under the
Age Discrimination
in Employment Act
of 1967



Disconnected
Youth,
Foster Youth,
Transition Age
Youth



Former Gang
Members
including those
affected by the
City's Rodriguez
settlement



Unhoused
and Formerly
Unhoused



Designated
ZIP Codes
including those
with limited but
sufficient English
proficiency



Formerly
Incarcerated
including those on
parole or probation

Negotiated Civil Service Hiring Reforms

- **Building Trades Project Labor Agreement & Union Apprenticeships**
- **Targeted Local Hire, entry level city jobs**
- **Bridge to Jobs, semi-skilled classifications**

LOCAL HIRE CAREER & CIVIL SERVICE REFORM

AVAILABLE JOB PATHWAYS



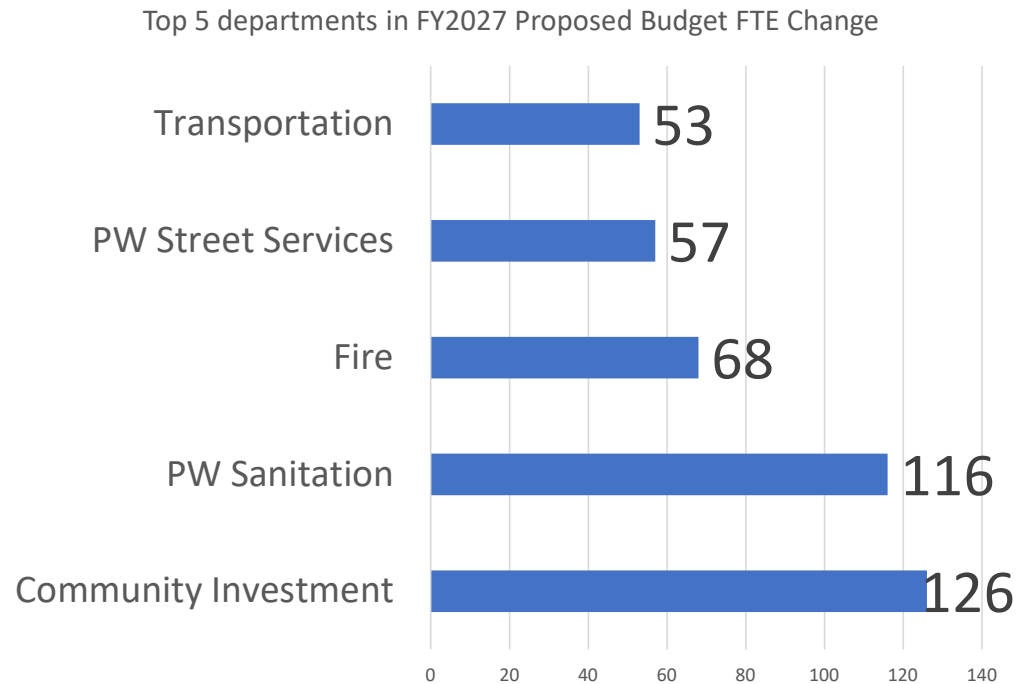
Proposed Budget highlights

- \$14.55 billion proposed budget
- 36,899 FTE, increase of 610 FTE (includes Sworn budget authorities)
- Proposed Department Expenses up 7.4%, total \$6.38 billion
- Non-department expenses up 3.8%, total \$8.47 billion
- General Fund (GF) proposed budget \$8.59 billion, 5% increase from FY2026
- General Fund proposed budget = 58% of total budget
- Cumulative Reserve Balance = \$489m, 5.7% of GF revenue, a 16.6% increase from current year



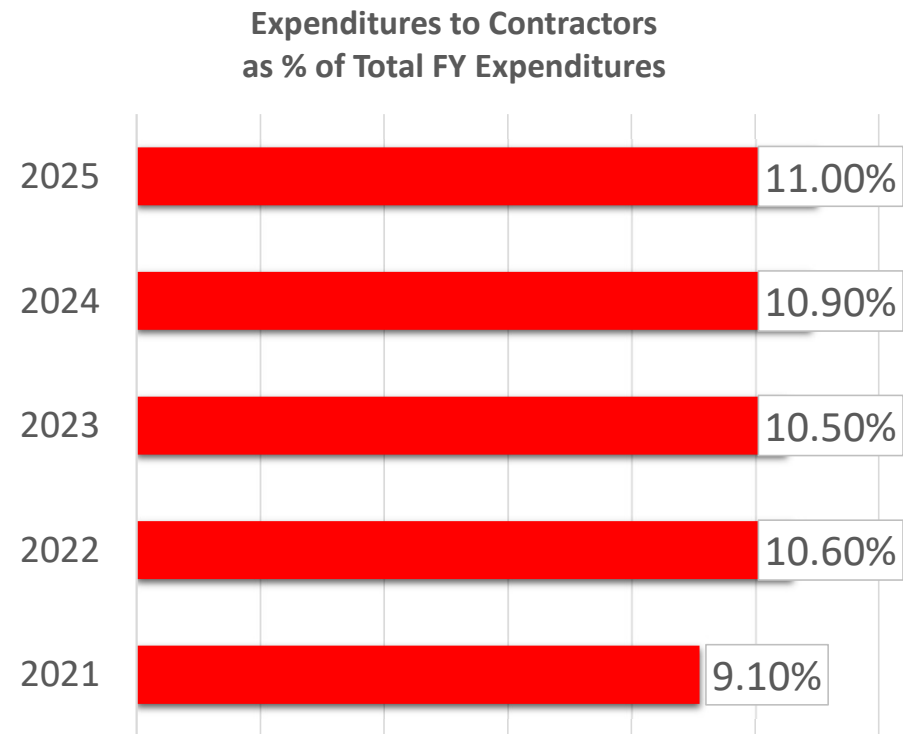
Top Departmental \$ by FTE increases

- 20 departments budget increased by at least \$3 million from current budget
- Biggest increase is to LAPD = \$124.7 million



Creeping growth in contracting out

- Coalition obtained new data on contracting out for FY 2024-25
- FY2024-25 \$2.3 billion spent on contractors, **11%** of LA City's total expenditures.
- This amount and % increased every year since 2021
- 9.1% in FY 2021 grew to 11% in FY25
- \$1.6 billion FY2021 to \$2.3 billion

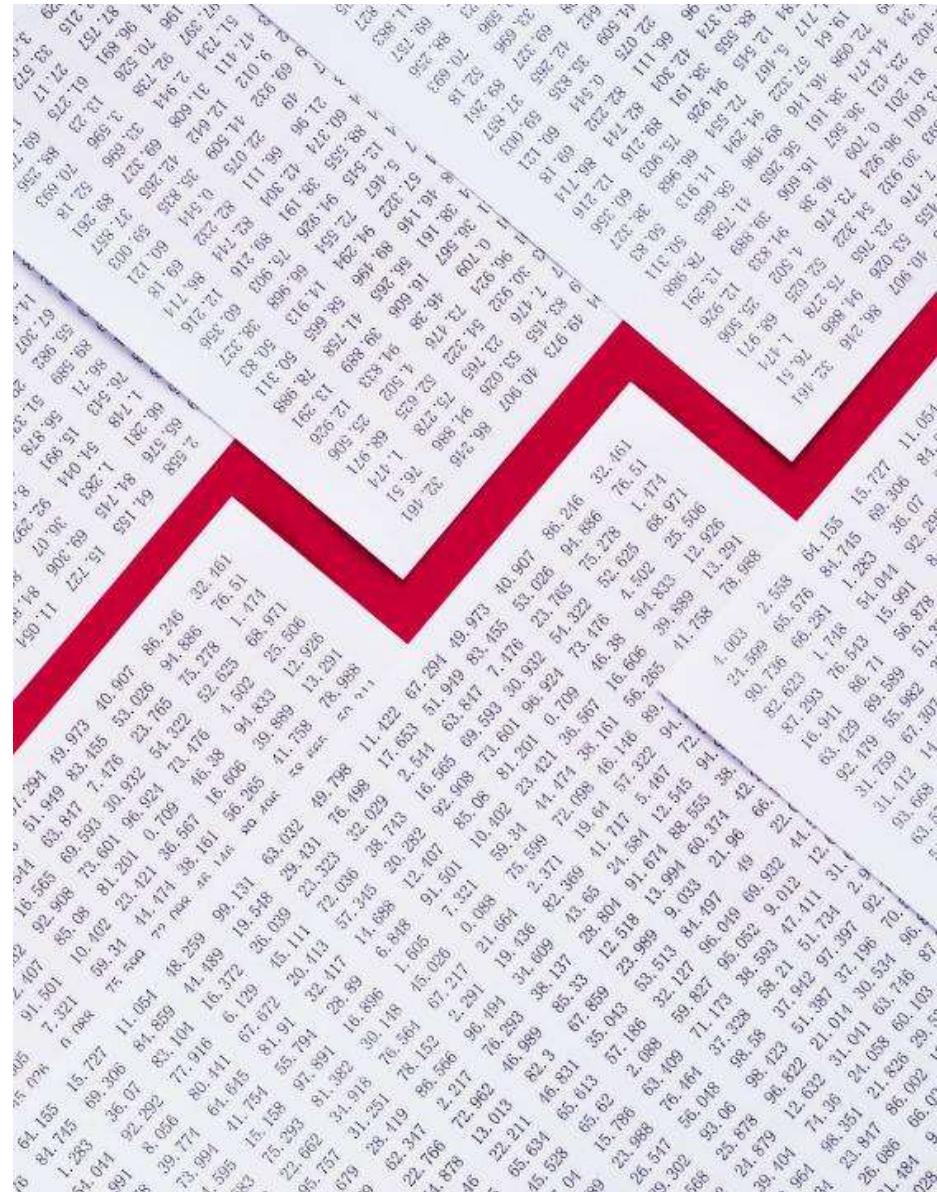


A photograph of a grey concrete wall. A glowing white zigzag line, resembling a stylized staircase or a data chart, is mounted on the wall. A metal handrail runs diagonally across the lower right portion of the image. The text "Increase Revenue Capacity" is overlaid in white, centered horizontally.

Increase Revenue Capacity

Gross Receipts Tax:

- A **Gross Receipts Tax (GRT)** is a **tax on a business' total revenue** generated within a given jurisdiction
- The City of Los Angeles is one of a handful of cities in California that implements a GRT such as **San Francisco, Oakland, Beverly Hills, Santa Ana, and Santa Monica**
- In tax year 2025, the city of Los Angeles generated **\$763.2 million in Gross Receipts Tax (GRT) revenue**. The City's GRT revenue represents approximately **73% of Business Tax revenue**
- Business Lobby has qualified an initiative for the **Nov 2026 ballot** that would **repeal of the GRT tax**, something that if enacted would **DEVASTATE LA City's Budget**
- **Opportunity for more revenue reform in November!**
- Potential to double Gross Receipts Tax revenue (~\$1.5 billion)—by increasing the small business exemption to \$500,000 and altering it from one flat rate to graduated rates that increase for larger businesses, closing loopholes and ensuring giant corporations pay their fair share.



Vacancy Tax



Tax on owners of residential or commercial properties vacant for a specified period of time. Implementing one in Los Angeles County could raise between **\$32.2 million to \$670 million**



Latest US census ACS data showed LA county has **223,454 vacant housing units**. **Market vacancy data** for FY25 Q2 showed a vacancy rate of **6.1 % for Retail, 24.1% for Offices**



Vacancy rates of multifamily housing increased the more expensive the property class with **luxury multifamily housing** having a **vacancy rate of 8.7%** in FY25 Q2.



Oakland and San Francisco have a form of vacancy tax. **City of San Diego City Council** passed a vacancy tax resolution that will go to voters this June. LA City council approved a study by the CAO to look at a Vacancy Tax.

Better TOT Tax Enforcement on Short Term Rentals



In FY 2024-25, **\$305.8 million in total TOT revenue** (hotel & short-term rentals). In same year, short-term rental **TOT = \$33.3 million representing only 11% of total TOT revenue.**



McGill University study IDed approximately **45%** of short-term rental listings out of legal compliance. Uncollected fines range between **\$56.8 million and \$302.2 million in one year.**



Housing Dept. needs an additional **18 staff members** to properly enforce the short-term rental ordinance. Even considering personnel cost the City would still have a **net gain of \$54 million to \$2999 million**



Ramping up for global sports events, short-term rental activity expects significant growth, solidifying the need for better TOT enforcement to prevent further losses in revenue and lack of compliance



City Bank: Public Financial Infrastructure

- **Billions \$ leave the city to Wall Street** in fees, as Coalition first IDed in 2015 Fix LA "No small fees"
- **Public bank** would eliminate for-profit fees, and keep city \$ in our local economy
- **City has retained a consultant experienced in public banking** for a detailed analysis of what a public bank would look like for public services
- **Fund an additional \$325,000 for the study**, on top of 9 CDs willing to put in \$15,000 each.

Recommendations

1. **Reinvest in & Prioritize City Workforce for Angelenos**
2. **Ensure giant corporations pay their fair share & invest in this city via progressive revenue ideas**
 - a. **Hire 18 more City workers** to prevent Short-Term Rental TOT Tax avoidance
 - b. **Push back against the GRT tax repeal by reforming the tax.**
 - c. **Expand the GRT small business exemption; and go from one flat rate to a progressive graduated rate**
 - d. **Pass a commercial vacancy tax and a vacancy tax on luxury multi-family residential housing**
 - e. Create a public bank in the City of Los Angeles in order to eliminate **millions the city pays in for-profit fees**
3. **Reduce Contracting out**, invest in own workforce to fix LA's **depleted city workforce** back to 2007-08 levels



Q&A?



APPENDIX

- 1. Coalition numbers per March vacancy report**
- 2. LA City's FY27 Proposed Budget Analysis**
- 3. LA City FY27 Proposed Budget Top Dept \$ & FTE Increases**
- 4. LA City FY27 Proposed Budget Top Decreases**

LA City's FY27 Proposed Budget Analysis

	FY26 Final Adopted Budget	FY27 Proposed Budget	Change FY26 Final to FY27 Proposed
Total Proj Exp	\$14.1 billion	\$14.85 billion	+5.3%
Total Adopted FTEs	36,289	36,899	+610
Total Dept Exp	\$5.94 billion	\$6.38 billion	+7.4%
Total Non-Dept Exp	\$8.16 billion	\$8.47 billion	+3.8%
General Fund Exp	\$8.178 billion (58% of total budget)	\$8.59 billion (58% of Total Budget)	+5%
Cumulative Reserve Balance (5% of GF Rev Required)	\$419.8 million (5.13 % of GF Rev)	\$489.4 million (5.7% of GF Rev)	+16.6%

LA City FY27 Proposed Budget Top Dept \$ & FTE Increases

Dept	FY26-27 Proposed Budget	FY26-27 FTEs	\$ change	%change	FTE change
Police	2,111,698,973	13,598	124,737,712	6.3%	-9
Fire	939,548,803	3,904	41,762,585	4.7%	68
Bureau of Sanitation	459,020,240	3,190	37,381,218	8.9%	116
Community Investment	81,578,805	200	36,718,777	81.9%	126
Bureau of Street Services	200,571,278	799	31,759,517	18.8%	57
Finance	79,050,060	297	28,737,683	57.1%	0
Transportation	235,535,801	1,264	19,988,884	9.3%	53
Bureau of Engineering	138,211,136	678	18,969,418	15.9%	5
Housing	124,992,514	573	18,224,589	17.1%	30
Building and Safety	167,254,307	993	17,947,374	12.0%	0
General Services	236,765,026	1,206	16,721,853	7.6%	20
Recreation and Parks	371,853,864	1,554	12,578,941	3.5%	18
Library	279,695,417	1,311	9,930,281	3.7%	9
Personnel	84,911,055	505	8,537,685	11.2%	2
Bureau of Contract Administration	55,096,949	279	7,895,079	16.7%	15
City Attorney	193,737,162	894	7,717,177	4.1%	0
City Administrative Officer	51,033,130	149	7,664,983	17.7%	3
Council	46,270,769	108	6,982,962	17.8%	0
Information Technology Agency	98,403,991	331	5,055,650	5.4%	9
Zoo	34,422,069	250	3,319,563	10.7%	5

LA City FY27 Proposed Budget Top Decreases

Budget Line (Dept & Non Dept)	FY25-26 Adopted Budget	FY26-27 Proposed	\$ change	%change
Unappropriated Balance	290,522,442	150,693,000	-139,829,442	-48%
Proposition A Local Transit Assistance Fund	312,258,198	253,358,910	-58,899,288	-19%
Capital and Technology Improvement Expenditure Program	885,524,652	827,215,303	-58,309,349	-7%
Economic and Workforce Development	24,352,623	0	-24,352,623	-100.0%
Aging	10,771,081	0	-10,771,081	-100.0%
Youth Development	1,579,688	0	-1,579,688	-100.0%
Civil, Human Rights and Equity	3,907,890	3,650,301	-257,589	-6.6%
Cannabis Regulation	8,635,700	8,395,380	-240,320	-2.8%
Emergency Management	5,042,411	4,983,231	-59,180	-1.2%

