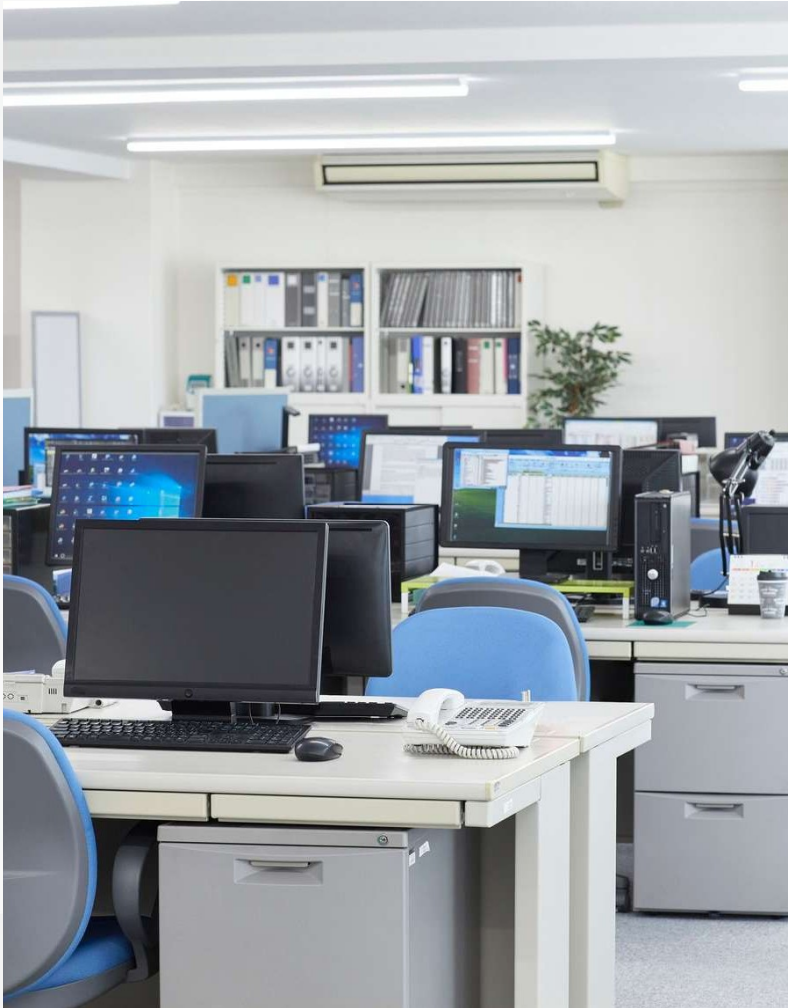


LA CITY BUDGET OVERVIEW

FY 2026-27

Presented by

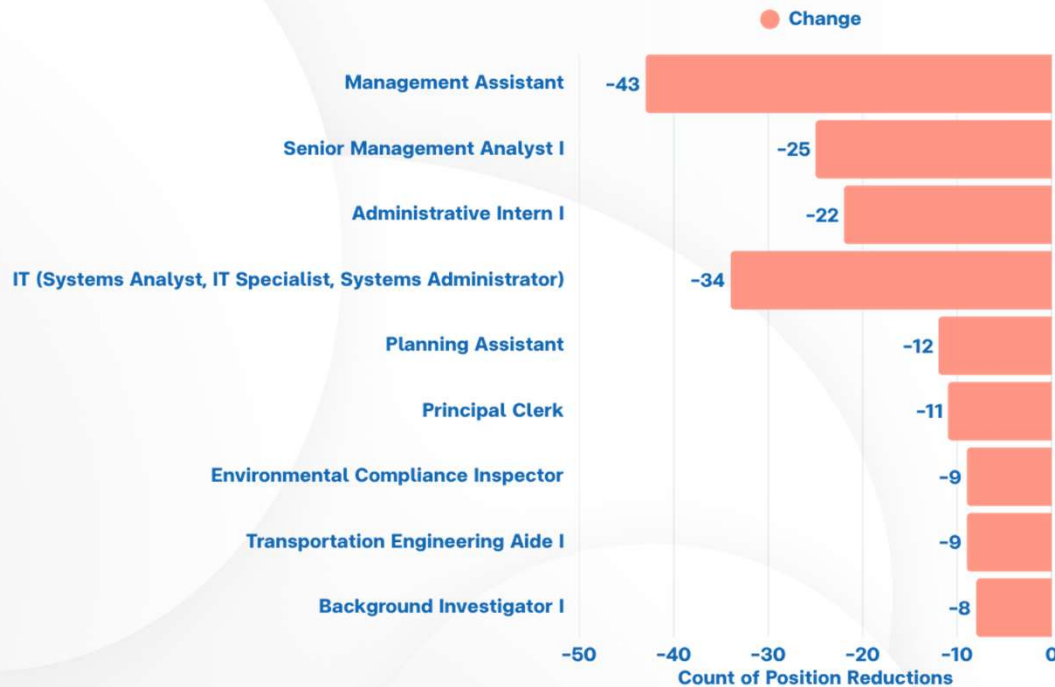




- 6,000 LA city employees in over 40 departments across 300 classifications
- IT, Planners (City & Transportation), Analysts, Accountants, Auditors, Environmental Inspectors, Financial Officers, Street Surveyors, Crime Scene Photographers, Fingerprint Specialists, Polygraphers, and many more.
- Last Budget - Over 500 proposed layoffs for EAA
 - EAA members stepped up - Unpaid Day + 1 hr in FY25/26
 - B&F Committee, CM McOsker & Personnel Committee , Expedited Transfer Portal
- As of current, EAA has 41 members in unfunded positions, 27 of those are in LAPD (substitute authorities that expire end of this FY)
 - Department reports to ensure they were restored in FY 26/27
 - LAPD civilians

Reductions in EAA Classifications

Deleting vacancies doesn't come without a cost



- EAA has 217 fewer filled positions than one year ago
 - Management Assistants (-43)
 - Sr. Management Analysts (-25)
 - IT Classes i.e Systems Analysts (-34)
- These employees produce reports, manage budgets & contract compliance, and protect city's data systems
- Entry level and promotional opportunities are thinning
 - Less hiring, less promotions, more work. No upward movement results in burnout & depts. losing staff / knowledge
 - Liabilities & risks increase
- 75 fewer filled EAA civilian positions at LAPD than one year ago
 - Emphasis is on sworn hiring, but civilians are the backbone & sworn end up performing duties outside their job classification at the sworn pay rate
- Background Investigators (-8)
 - This budget contains 2 deletions
 - LAPD hiring at-risk of bottleneck

Preparing for the global stage becomes increasingly difficult

Staffing & Major Events Concerns



- City Departments are preparing for the upcoming major global events (FIFA 2026 World Cup and 2028 Summer Olympics)
- Cost sharing agreement between the City and LA28 is 6 months overdue
- We're relying on these events to increase tourism and revenue WITHOUT an increase to staffing & resources
- FY 25/26 deletion of vacant positions and inability to hire adequate staff make it difficult for current employees to meet special event goals AND maintain regular city services
 - Ex.: LADOT transportation planning group decimated
- EAA members are being asked to do more work with less capacity
 - Developing & implementing citywide programs to engage the public while performing regular duties
- We encourage the B&F Committee to ask City Departments how lower staffing levels are interfering with major events readiness and how they plan to manage these events

Revenue

Assessments are necessary to meet goals

Must be predictable and subject to public oversight



Supported Revenue Measures

Fee Studies & Assessments

- Street Lighting Assessment Fee
- DOT parking Fees
- Planning Department Fees
- Sensible Updates to Digital Billboard Ordinances
- Regular fee assessments should be conducted to ensure predictable & modest changes to fees going forward

ULA Revisions

- **NO Revisions** to Measure ULA that will result in a fiscal impact
- ULA revenue is a necessary component for affordable housing production and supports staffing at the Housing Department

Waste, Fraud, Abuse Enforcement

- Recent audits show unspent funds, lack of accountability and waste.
- Decrease fraud, waste and abuse requires **increase** in the number of Auditors

Potential Risks in Future Fiscal Years

Short-Term Rental TOT Pre-Payment

- We support reliable and sustainable revenue growth through established collection mechanisms
- We already have processes (and EAA members!) in place to reliably assess, collect, and disburse TOT funds
- If we want to additional TOT due to an *anticipated* short-term increase in tourism then a publicly-debated amendment to existing TOT regulations should be considered **outside** of the current budget deliberations
- Risk of housing displacement & increasing enforcement costs for Departments needs to be carefully weighed against any windfall TOT pre-payment under consideration

Repeal of Gross Receipts Tax

- \$800M annual budget shortfall projected
- Employees will be laid off and core City services will be negatively impacted
- City services outside core will not be feasible
- Inability to prepare for global commitments
- LA City is also a major regional employer and service consumer - there will be second-order impacts on the regional economy if public-sector revenues are reduced by hundreds of millions of dollars per year

Key Points:

- **Sub Authorities restored**
- **Staffing for Global event readiness**
- **Responsible revenue**

THANK YOU

