



**FOR IMMEDIATE RELEASE**

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## **Councilman Zine Continues to Push for Spending Reductions**

LOS ANGELES, February 9, 2011 – Councilman Dennis P. Zine introduced two motions today calling for reductions in City issued cell phone usage and additional restrictions on authorized City travel. These motions come on the heels of another Zine motion asking for a review of Los Angeles City Department General Manager and Assistant General Manager salaries.

“We must continue to search for ways to reduce our spending and make City government leaner,” said Councilman Dennis P. Zine, Chair of the Personnel Committee. “At a time when the City is struggling to fund basic City services, we must allocate our resources where they will provide the greatest benefit to the public. We have to question what is essential to perform our core services; therefore, we must be stringent when authorizing travel and cut back on the use of city-issued cell phones.”

The motion addressing cell phone usage instructs all City departments to implement a 10% reduction in the total number of city-issued cell phones in their respective departments by June 30, 2011. The motion also asks City departments to present a plan for an additional 30% reduction in city-issued cell phones for the upcoming 2011-12 fiscal year. This call for cell phone reductions comes on the heels of Governor Jerry Brown implementing a similar 50% reduction in State issued cell phones last month. Public safety departments will be granted exemptions from this instruction.

The motion addressing city travel asks for a final itemized analysis of travel expenditures and related expenses for fiscal year 2009-10 with a comparison to travel expenses already incurred for fiscal year 2010-11 to determine if travel continues to be limited as previously instructed. Additionally, Councilman Zine is urging a strict moratorium on all non-reimbursable General Fund City travel with the following exceptions: (1) travel to Sacramento and Washington, D.C. to participate in City advocacy; (2) travel by members of the Los Angeles Police Department for investigations, warrants, and extraditions; and (3) travel related to prevention of liabilities or fiscal degradation. The current city policy authorizes travel for these exceptions or with approval from the Mayor’s office. This motion would limit authorized travel to only these three exceptions.

Councilman Zine has taken a voluntary 10% pay cut and his entire staff is currently taking unpaid furlough days. In addition, since taking office in 2001, Councilman Zine has donated approximately \$300,000 of his personal salary to local charities.

Both motions were referred to the Budget and Finance Committee. To view the full text of each of these motions, visit [www.cd3.lacity.org](http://www.cd3.lacity.org).

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**Motion**

The City of Los Angeles is facing one of its toughest economic times in history. The city council has recently adopted a number of reductions totaling \$34 million but we are still facing a budget deficit of \$29 million for the current fiscal year. The projected deficit for 2011-12 is \$350 million. The city council must continue to take decisive and immediate action.

The State of California is experiencing similar financial hardship, facing a projected \$25.4 billion deficit through June 2012. Governor Brown recently presented a budget proposal which included about \$12.5 billion in spending cuts and borrowing, in addition to the tax extensions and fees that are part of a plan to raise an additional \$12 billion.

Within his first month of taking office, Governor Brown issued an executive directive calling for unilateral reduction of state issued cell phones. Executive Order B-1-11 directs entities to reduce no fewer than 50% of state-provided cellular phones (including smart phones) by June 1, 2011. This reduction of state issued cell phones proposes to save approximately \$20 million. According to the California Department of Finance, due to size of the state's contract with local firms, there are minimal penalties associated with this massive reduction in cell phone usage. In issuing Executive Order B-1-11, Governor Brown sent a message that government must focus on core services and cannot continue business as usual. The City of Los Angeles must follow suit.

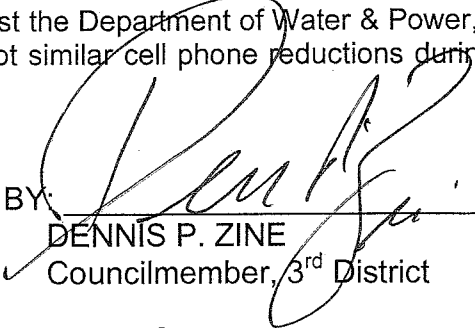
The City Controller is currently conducting audits related to city issued cell phones that will provide useful information to ensure that internal controls are in place and best practices are being followed. However, given the size of our current and projected budget deficits, the council must act now to save money by reducing our total allocation of city issued cell phones.

I THEREFORE MOVE that the Council instruct all City departments to immediately implement a 10% reduction in the total number of city issued cell phones by June 30, 2011, and request the City Administrative Officer (CAO) to report back in 30 days on the savings achieved through this action. Exemptions should be granted to the LAPD, LAFD, GSD Office of Public Safety, and Emergency Management Department.

I FURTHER MOVE that the Council instruct these same City departments to prepare and present a strategic plan to the Budget and Finance Committee during the 2011-2012 budget deliberations relative to implementing an additional 30% reduction in city issued cell phones for the next fiscal year.

I FURTHER MOVE that the Council request the Department of Water & Power, Los Angeles World Airports, and the Harbor Department to adopt similar cell phone reductions during their 2011-2012 budget deliberations.

PRESENTED BY: \_\_\_\_\_



DENNIS P. ZINE  
Councilmember, 3<sup>rd</sup> District

SECONDED BY: \_\_\_\_\_



FEB 9 2011

# M O T I O N

BUDGET & FINANCE

In December 2009 a Motion CF 09-3011 (Zine-Garcetti) was introduced to instruct a thorough and complete review of all travel expenses by City staff and Commissioners. At a time when the City is struggling to find resources for basic City services, it is appropriate to be selective and stringent when authorizing travel.

In response to the Motion, the CAO submitted a report on March 24, 2010 noting that a total of \$1.8 Million was appropriated for travel in Fiscal Year 2009-10, of which \$677,514 was expended as of March 18, 2010.

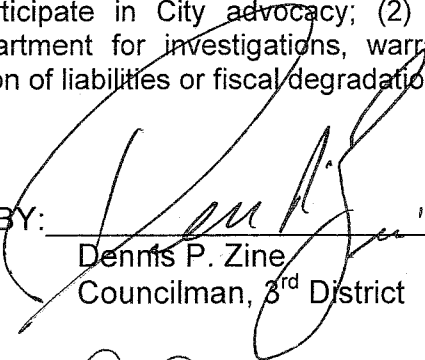
In March 2010, the Mayor and Controller issued a joint memo regarding spending controls and a suspension of non-reimbursable General Fund travel with limited exceptions including (1) travel to Sacramento and Washington, D.C. to participate in City advocacy; (2) travel by members of the Los Angeles Police Department for investigations, warrants, and extraditions; and (3) travel related to prevention of liabilities or fiscal degradation. Other travel, regardless of funding, was permitted with approval by the Deputy Mayor of Budget and Finance.

The books have been closed on Fiscal Year 2009-10, so it is now possible to complete the review of travel expenses for the previous fiscal year to ensure that travel controls were exercised appropriately. In addition, an analysis should compare 2009-2010 travel expenses with the 2010-11 travel budgets to confirm that only necessary or mandatory travel expenditures are being approved.

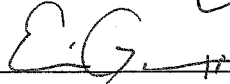
I THEREFORE MOVE that the CAO be instructed to submit within 30 days a final itemization analysis of actual travel expenditures and related expenses for Fiscal Year 2009-10 with a full comparison with those of FY 2010-11 to determine if travel continues to be limited as instructed.

I FURTHER MOVE that the Council hereby impose a moratorium on all non-reimbursable General Fund City travel with the following exceptions: (1) travel to Sacramento and Washington, D.C. to participate in City advocacy; (2) travel by members of the Los Angeles Police Department for investigations, warrants, and extraditions; and (3) travel related to prevention of liabilities or fiscal degradation.

PRESENTED BY: \_\_\_\_\_

  
Dennis P. Zine  
Councilman, 3<sup>rd</sup> District

SECONDED BY: \_\_\_\_\_



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# PERSONNEL

## MOTION

The Pew Research Center recently released a report which found that Los Angeles City Council Members are the highest paid in the nation. The study comes as cities throughout the country have been forced to slash their budgets and have faced increasing pressure over spending practices and priorities.

The reality is that Los Angeles City Council offices over the past 3 years have cut their office budgets by more than 20 percent, with additional cuts projected for the 2011-12 budget. In addition, there are several council funds which have been sent back to the General Fund to help close the current deficit, along with many council members who have taken voluntary reductions in pay of up to 10 percent. The Mayor himself has taken a 16 percent reduction in pay.

As the City continues to struggle to close this year's budget deficit of approximately \$30 Million and will start deliberations on a \$350 Million deficit for next fiscal year, we must lay out all our options and continue to reduce all wages where possible. While City Council Members continue to be scrutinized over salaries, we need to look at the salaries paid to our general managers and assistant general managers as well as authorized bonuses adopted in their yearly budgets.

During a time when we continue to ask employees to cut their pay and take additional furloughs, we must also continue with our message of shared sacrifice and urge all top level management to share the burden in pay reductions and eliminate bonuses which are not necessary.

I THEREFORE MOVE that the City Council instruct the CLA in coordination with the Controller's office and the Personnel Department to issue a direct report comparing the salaries of all Los Angeles general managers and assistant general managers to other major municipalities across the nation.

I FURTHER MOVE that this report should also reflect those general managers and assistant general managers who have already taken voluntary pay cuts, and/or furloughs.

I FURTHER MOVE that the CLA, CAO and Personnel Department review all bonuses authorized under existing Departmental Personnel Ordinances and report back in 30 days to the Personnel Committee.

PRESENTED BY

  
DENNIS ZINE  
Councilmember, 3<sup>rd</sup> District

SECONDED BY:

  
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ORIGINAL