

MOTION

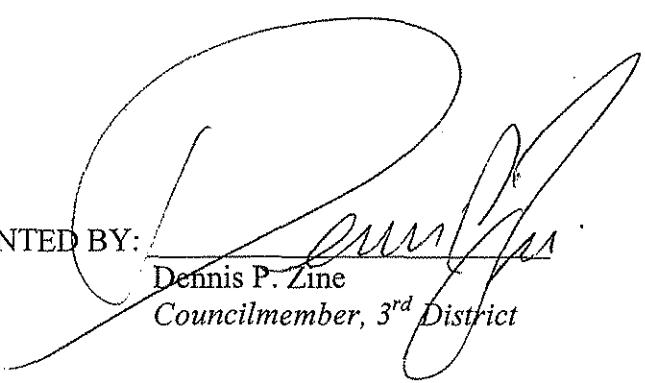
Figures released Thursday by the United States Commerce Department indicated that the nation's economy contracted by 0.3% over the summer, confirming fears of a looming recession. Other recent statistics reveal an even gloomier economic picture, including record low personal spending, plunging consumer confidence, and budget deficits at the federal, state, and local levels. Residents of Los Angeles are feeling the financial pain, and deserve to see their City government take action.

Throughout the budget process and during reviews of financial status reports, City leaders have placed special emphasis on increasing revenue and recovering costs. While finding new sources of money is extremely important, equal if not greater focus should be placed on cutting costs. The City must work aggressively to reign in spending and lead by example as millions of City residents make similar sacrifices.

The largest single cost to the City budget is its payroll, including employee salaries and related benefits. As such, a thorough analysis should be conducted to find new ways to reduce payroll expenditures. When existing City policies mandate pay increases at regular intervals, even when the budget cannot support them, the City Council must re-examine those policies.

I THEREFORE MOVE that the Chief Legislative Analyst, the City Administrative Officer, and the Personnel Department be directed to report to the Personnel Committee with an analysis of the City's current and projected payroll expenditures, including recommendations to reduce overall salary costs such as freezes of future pay increases, salary reductions for the highest-paid employees, and any other cost containment methods that may be feasible.

PRESENTED BY:


Dennis P. Zine
Councilmember, 3rd District

SECONDED BY:



08-2988