



**NEWS**

## **COUNCILMEMBER NICK PACHECO COUNCILMEMBER ALEX PADILLA**

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### **PACHECO, PADILLA CALL FOR CITYWIDE HIRING FREEZE**

**LOS ANGELES** – City Council Budget & Finance Committee Chair Nick Pacheco and Council President Alex Padilla today called for a hiring freeze for all City departments due to the uncertainty of budget forecasts. Under this proposal, any and all appropriations requests from the City's General Fund would be referred immediately to the Budget & Finance Committee, and no City personnel vacancy would be filled, except for critical public safety positions, certain trash collection personnel, and specific construction-related jobs.

"Now that we know we have a problem, we as Council must take steps to alleviate the budget crisis," said Pacheco. "This is the time for the City to start looking for ways to be even more fiscally cautious, and to prioritize projects and services. However, we must make sure that we do not compromise our ability to deliver basic city services."

"The figures that we have received in budget reports to date have fluctuated dramatically – it's a \$150 million funding gap one week and a \$250 million gap the next week," said Padilla. "These numbers are bouncing around like ping-pong balls at a Lotto drawing, and until we have consistent numbers to ensure that we have enough funds to continue to provide City services now and in the future, a hiring freeze is the most prudent measure to take during these uncertain economic times."

The City of Los Angeles currently faces budget cuts of nearly \$50 million for the current fiscal year. Additionally, City policy requires that 2% of the \$3.2 billion General Fund Budget be maintained in a Reserve Fund. At the rate of current spending, the City Reserve Fund Balance is projected to be \$44.5 million – only 1.4% of the General Fund Budget.

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