September 15, 2009

City Council
City of Los Angeles
200 N. Spring St.
Los Angeles, CA 90012

Dear Councilmembers:

The Coalition of LA City Unions met with the CAO and Council leadership into the night and successfully answered the call for $50 to $60 million in savings for this year. We provided ideas and offers estimated at $62 million.

The CAO/CLA report lays out what we all know: that any savings from ERIP, just as with those from layoffs, shrink with every day of delay. The CAO and CLA report that, if agreements had been enacted earlier, "After accounting for EAA furloughs, Coalition COLA deferral and ERIP would have more than offset the civilian SRS."

While we disagree with some of the assumptions in the report, we understood the call: More savings would give the City the room it needs to get through this year while implementing ERIP and continuing the Coalition Agreement.

The lesson that should now be clear to everyone is that real budget solutions must begin early. In that vein, the choice before you may be more about next year that this. The City can either:

- Implement short-term solutions along with ERIP and the Coalition Agreement, enter next year with $267 million already in savings, and go forward with the cooperation of your labor partners; or
- Attempt to layoff and furlough its way out of this year, enter next year even deeper in the hole, and open itself up to lawsuits that have a good chance to radically alter the City's budget plan late in the budget year.
We see the ideas offered last night as a catalyst, which will help the City get over the hump this year in order to realize the full savings of ERIP and the COLA deferral, which we estimate at a total of $1.1 billion over five years.

We have always said we are prepared to meet at any time with any City leaders who are willing to join us in trying to maintain City services and get through this budget challenge with the least damage to Los Angeles and workers’ families. The Council gave us that chance, and once again we stepped up to do more than our part.

In solidarity,

Cheryl Parisi
AFSCME Council 36

Carlos Rubio
Teamsters, Local 911

Julie Butcher
SEIU Local 721

Robbie Hunter
Los Angeles County Building & Construction Trades Council

Victor Gordo
LIUNA, Local 777

Lance Bedolla
Operating Engineers, Local 501