



WENDY GREUEL
CONTROLLER

May 4, 2012

Honorable Paul Krekorian, Chair
Budget and Finance Committee
Los Angeles City Council
200 N. Spring Street, Room 395
Los Angeles, CA 90012

Dear Councilmember Krekorian and Members of the Budget and Finance Committee:

Our budget is an expression of our values and priorities as a City. While we work to move our city forward in these tough times, the people of Los Angeles deserve efficient delivery of city services and good value for their tax dollars.

We can't afford more cuts to essential city services and we can't afford more layoffs. Enough is enough. We've cut the fat and now we're cutting into the flesh and bone of our core services. The taxpayers of this great city deserve better. Our city workers who want to deliver the best to the people they serve, deserve better. Our businesses that rely on basic city services to thrive and grow deserve better.

The current budget before you proposes layoffs. While I respect the need to have all options on the table, more layoffs are not a real solution to the problems that plague this City.

And let's be clear - layoffs mean reductions in services. Layoffs increase other liabilities – from jeopardizing response times and public safety to creating new multi-million dollar line items in the City's budget for unemployment insurance. Layoffs may be an easy target, but that doesn't make it the right choice.

Instead, I urge City leaders to take an innovative approach to solving the City's budget challenges – it's what the people of Los Angeles expect and deserve.

Since being elected Controller, I have found more than 50 instances of waste, inefficiency, abuse and fraud. And, I have identified more than \$130 million in savings

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and solutions — and while I am proud of what we have uncovered — that's just scratching the surface.

In addition to the inefficiencies I have identified, alternate proposals that should be on the table include scouring the books for encumbered funds that can be released as well as utilizing all available discretionary funds including Council-controlled funds that can be used as bridge funds during these difficult times. They include Real Property Trust Funds, AB1290 Redevelopment Funds, and Street Furniture Funds. I would also urge you to vet non-departmental proposed appropriations such as those for unemployment insurance and debt service.

I urge you in joining me to fight for this economy, fight to protect essential services for the people of Los Angeles and fight to protect jobs.

Sincerely,

A handwritten signature in black ink, appearing to read "Wendy Greuel", written in a cursive style.

WENDY GREUEL
City Controller