

October 4, 2016

Early White Paper Recommendation

The Neighborhood Council Budget Advocates (the “NCBAs”) urge the City Council and Mayor Eric Garcetti to implement the following recommendations of the LA 2020 Commission as part of its budget for the 2017-18 fiscal year:

- Create an independent “Office of Transparency and Accountability” to analyze and report on the City’s budget, evaluate new legislation, examine existing issues and service standards, and increase accountability.
- Adopt a “Truth in Budgeting” ordinance that requires the City develop a three year budget and a three year baseline budget with the goal to understand the longer-term consequences of its policies and legislation. (Council File 14-1184-S2)
- Be honest about the cost of future promises by adopting a discount rate and pension earnings assumptions similar to those used by Warren Buffett.
- Establish a “Commission for Retirement Security” to review the City's retirement obligations in order to promote an accurate understanding of the facts.

We request that the Budget and Finance Committee assign a Council File for each of the recommendations and agendaize each of these items for its next meeting on October 17, 2016.

The implementation of these recommendations will be the first step in addressing the City’s Structural Deficit, the massive unfunded liabilities of its two unsustainable pension plans, and the deferred maintenance on its infrastructure.

The adoption of the recommendations of the LA 2020 Commission will result in increased transparency into the City’s complex operations and finances and begin the process of restoring Angelenos’ trust and confidence in City Hall and its elected officials.

The NCBAs are making these recommendations prior to the 2017 Neighborhood Council Budget Advocates White Paper so that they will be an integral part of the upcoming fiscal year’s budget process.

The NCBAs look forward to a timely response.

cc: Eric Garcetti, Herb Wesson, Paul Krekorian, Councilmembers, Ron Galperin. Mike Feuer, CAO, CLA, LA 2020 Commission, Neighborhood Councils