

Updates to Neighborhood Empowerment's City-mandated budget cuts proposal for the current fiscal year

In our October 7th newsletter, we shared the news that all City departments - including ours - were being asked to undertake a mandatory 3% reduction of their department's operating budget for this current fiscal year, which runs through the end of June 2021. This is in response to Mayor Garcetti's Fiscal Restraint Memo to City departments, issued on September 11th.

Our existing FY 2020-21 Department budget - before these cuts - is \$2.8 million, so a 3% reduction would come out to \$84,000. Throughout this process, the decisions have been difficult ones, but we have made every effort to make choices that would have as little impact as possible on the direct support the Department provides to Neighborhood Councils.

Our October 7th DONE newsletter contained the first version of our proposal to respond to this Fiscal Restraint exercise, which was given to the City Administrative Officer (CAO)'s office for review.

That initial proposal has since been revised in response to the CAO's review. Below is an overview of our current recommendations for reaching a total reduction of \$84,885 to the Department's FY2020-21 budget:

Our first recommendation was to reduce our budget by \$30,000 by not making our traditional annual contribution of \$10,000 each to the EmpowerLA Awards, Congress of Neighborhoods, and NC budget advocacy, as we have done in years past.

These three cuts are not expected to have a fundamental impact on Neighborhood Council services, as the next Congress of Neighborhoods will not happen again till next fiscal year; the EmpowerLA Awards - which happen near the end of each fiscal year - will probably be virtual, so there isn't the need for the dinner and parking budget of an in-person event; and there are sufficient funds in accounts tied to NC advocacy on the City budget to fund at least three full years of budget advocacy and education through events such as Budget Day.

Second, we recommended cutting another \$30,000 which had been allocated for NC Elections outreach in our adopted FY2020-21 Department budget. Please note that this does not mean that there will be no funding to support outreach for the 2021 NC Elections.

On the contrary, we received the preliminary support of the City Council's Health, Education, Neighborhoods, Parks, Arts, & River (HENPAR) Committee to have funds that had originally been earmarked for City Clerk's use to support in-person polls and events for the November Presidential elections redirected toward outreach for the 2021 Neighborhood Council Elections.

This proposal regarding NC Elections outreach funding must still be reviewed and approved by the Budget & Finance Committee at their meeting on Monday, October 26th, and by the full City Council, but we will keep you updated in future newsletters. Meanwhile, you can read HENPAR's October 22nd approved recommendations for funding the 2021 NC Elections, and follow the City Council File on the 2021 NC Elections, CF20-0963.

Our third recommendation was to reduce by \$24,885 the funds allocated for contractual services, equipment, or staffing needs and reimbursements. Please note that this cut does not touch funds for essential NC services like translations.

Instead, many of these cuts are to projected expenses that arise from holding and attending in-person meetings, such as audio for the Commission meetings or staff mileage reimbursements. These cuts were made based on the assumption that most events and meetings will continue to be virtual for much of the remainder of this fiscal year. The rest of these reductions to contractual services costs will be achieved by moving the payment date for services paid annually to next fiscal year, so that those expenses don't factor into the budget for this fiscal year.

In addition to the above, another reduction to the Department's budget for this fiscal year will be the furlough day on November 3, 2020 (Election Day) that is being mandated for most City staff. We will continue to update you as we have more information on these changes to the Department's budget, and the impact implementation of these changes will have on the services and support we provide to Neighborhood Council member and stakeholders.

