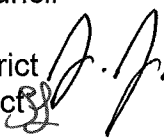




**James Johnson**  
City of Long Beach  
Councilmember, Seventh District

**R-20**

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**Date:** December 7, 2010  
**To:** Honorable Mayor and Members of the City Council  
**From:** Councilmember James Johnson, Seventh District  
Councilmember Suja Lowenthal, Second District   
**Subject:** Require Fiscal Impact Statement for Council Items

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**RECOMMENDATION:**

Request the City Attorney prepare an amendment to the Council Rules contained in the Municipal Code to require a fiscal impact statement for items agendized by Council.

**DISCUSSION**

It has been the practice of City Manager departments to include fiscal impact statements in items submitted before City Council. Such statements (like the one included at the end of this item) provide an estimate by the author of the financial costs associated with the requested action. City Council should adopt this practice and require that all items submitted by the Legislative Department include a fiscal impact statement.

During these difficult financial times, it is important that all costs be scrutinized so that city expenditures are prioritized appropriately. The first step towards discussing costs is to explicitly acknowledge what they are. Therefore, fiscal impact statements should be included with future Council items.

**FISCAL IMPACT**

There is no significant cost for this action. To the extent that requiring fiscal impact statements makes the authors of items more cognizant of costs and induces them to reduce or avoid such costs, there would be an unknown positive fiscal impact to the City.