



# Fiscal Year 2012 Proposed Budget for Community Review

August 2, 2011



## INSIDE

|                                    |    |
|------------------------------------|----|
| A Message from the City Manager    | 2  |
| Overview of the General Fund       | 3  |
| Approach to Solving the Deficit    | 5  |
| Proposed General Fund Reductions   | 7  |
| Proposed Reductions to Other Funds | 16 |
| Redevelopment                      | 24 |
| Government Reform Initiatives      | 25 |
| Community Input Opportunities      | 27 |



# Proposed Fiscal Year 2012 Budget for Community Review

## *A Message from the City Manager:*

The national financial events of the past three years have been very difficult for citizens and local government alike. The poor economic situation is unlike any financial crisis we have ever experienced. It is apparent the road to recovery will be very slow, and the revenues the City relies upon will not rebound quickly. Compounding the problem is the significant increased personnel costs the City faces over the next three years. In light of these facts, we have not only prepared a proposed budget for the next fiscal year (FY 12), but have also forecast the impacts of the projected General Fund structural deficits for FY 13 and FY 14 totaling \$40.5 million.

The vast majority of the three-year deficit can be attributed to previously negotiated labor cost increases and the increased cost of employee benefits and pensions. The City and our employee organizations have been discussing forgoing salary increases, or having employees contribute more towards their pension costs. To date, however, discussions with our largest employee organizations have not produced agreements. While we remain hopeful they will participate in solutions to reduce the deficit, we cannot assume this will occur. Accordingly, the Proposed Budget requires that all City departments make further reductions. These reductions will decrease the size of the workforce and will require departments to develop new approaches to service delivery.

Continuing the “proportionate share” approach implemented in FY 11, City departments were assigned reduction targets to curtail their growth, primarily from negotiated salary increases and pension cost increases. This approach ensures that our Police and Fire Departments receive the majority of the General Fund resources each and every year (nearly 70 percent), while keeping funds to pay for all the other services our residents deserve such as parks, libraries, sidewalks, code enforcement, animal care, and support services. Absent a proportionate share approach, by 2030, 100 percent of our General Fund would go towards public safety, leaving nothing for our quality of life services that makes Long Beach such a great city to live in.

The City will also continue its efforts to become a leaner, more efficient organization. To that end, the FY 12 Proposed Budget includes several proposals to reform City government through the realignment or elimination of functions to maximize resources and improve customer service. Some of these reforms come with the added benefit of long-term savings to address future fiscal challenges.

Over the past eight years, Long Beach has adopted \$188.4 million in General Fund deficit reduction solutions, eliminating 644 positions, without dipping into the City’s emergency reserves. It has been a prolonged, difficult challenge to make reductions and change approaches to service delivery. Through the leadership of the Mayor and City Council, Long Beach has established a tradition of fiscal sustainability and our City leaders make the tough decisions each and every year to balance the budget. The recommended department reductions and government reforms contained in the FY 12 Proposed Budget serve to continue this tradition, and will move us into the future on stable footing.

*Patrick H. West*



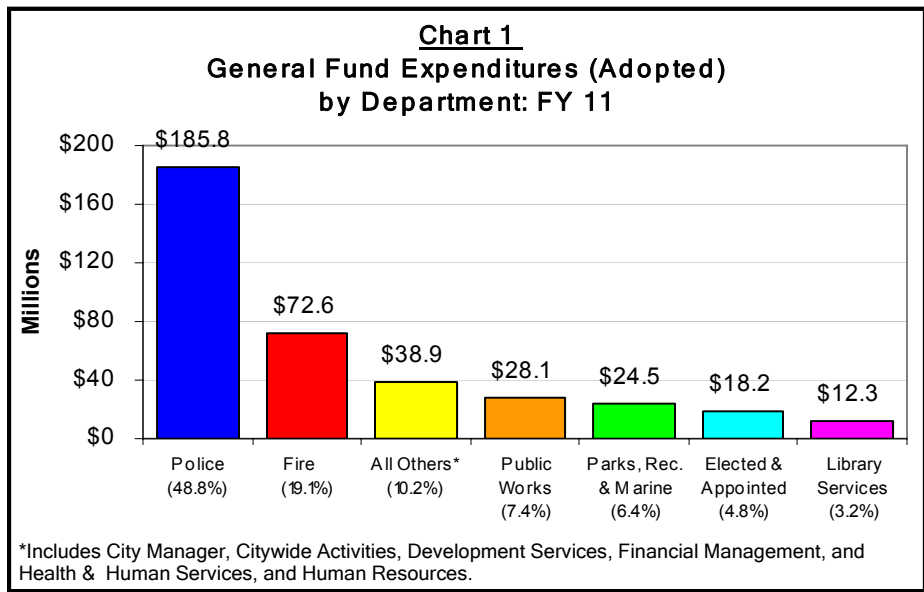


# Proposed Fiscal Year 2012 Budget for Community Review

## The General Fund

The General Fund is the City's only fund that can be used with no restrictions. It supports most traditional city services, such as police, fire, parks and recreation, and libraries. The other City funds, which represent 85 percent of the City's budget, are restricted by law, regulations, or accounting rules for special purposes. General Fund revenues come from more than 150 sources, including property taxes, utility users tax, sales tax, hotel bed taxes, oil revenues, fines, and user fees.

**Chart 1** shows how these revenues are expended in Fiscal Year 2011 (FY 11). More than two-thirds (67.9 percent) of the General Fund supports the Police and Fire Departments. In Fiscal Year 2000 (FY 00) these departments comprised only 57.5 percent of the General Fund.



**Did You Know?**

- Only 21 cents of every dollar of property tax paid by Long Beach residents goes to the General Fund.
- Only 1 cent of the current sales tax rate of 8.75 cents per dollar goes to the General Fund.
- The UUT was previously the City's largest General Fund revenue source. The 2000 voter-approved reduction in the tax eliminated \$40.3 million in annual General Fund revenue.
- The City has not issued any General Fund bonds for infrastructure since the early 1960's.

## General Fund History

Between FY 04 and FY 11, the City reduced costs or increased revenue in the General Fund by \$188.4 million through its Financial Strategic Plan. **Chart 2** summarizes the fiscal impact of the actions taken during this period, and **Chart 3** identifies a small sample of the resulting service delivery changes.

**Chart 2**  
Deficit Reduction Amounts (FY 04 - FY 11)

|              |       |                        |
|--------------|-------|------------------------|
| Year One:    | FY 04 | \$41.0 million         |
| Year Two:    | FY 05 | \$29.0 million         |
| Year Three:  | FY 06 | \$22.0 million         |
| Year Four:   | FY 07 | \$10.0 million         |
| Year Five:   | FY 08 | \$10.0 million         |
| Year Six:    | FY 09 | \$16.9 million         |
| Year Seven:  | FY 10 | \$38.3 million         |
| Year Eight:  | FY 11 | \$21.2 million         |
| <b>TOTAL</b> |       | <b>\$188.4 million</b> |

**Chart 3**  
Financial Strategic Plan (FY 04 – FY 11)

- Eliminated 644 positions, 19% of General Fund workforce
- Removed hundreds of vehicles from the City's fleet
- Employees contributed more to health and retirement costs
- Consolidated bureaus and divisions to streamline the organization
- Increased cost recovery for services through fees and charges
- Restructured various City operations to save money including Code Enforcement and the Workers' Compensation program
- Reduced service levels throughout the organization
- Civilianized 27 sworn public safety positions



# Proposed Fiscal Year 2012 Budget for Community Review

## The FY 12 Deficit: and Beyond

Despite eight years of General Fund deficit solutions totaling \$188.4 million, the City is faced with a deficit of \$20.3 million for Fiscal Year 2012 (FY 12). But, the problem does not stop there. The revenues the City relies upon will not be sufficient to cover the increasing labor costs for at least two years beyond that. Accordingly, we have taken a long-term strategic approach to forecast the impacts of the projected General Fund structural deficits for FY 12, FY 13, and FY 14. These deficits are reflected in **Chart 4**. The vast majority of the three-year deficit can be attributed to negotiated salary increases (\$23.6 million) and pension cost increases (\$13.2 million). (Note: The amounts shown for FY 13 and FY 14 are projections, and are subject to change.)

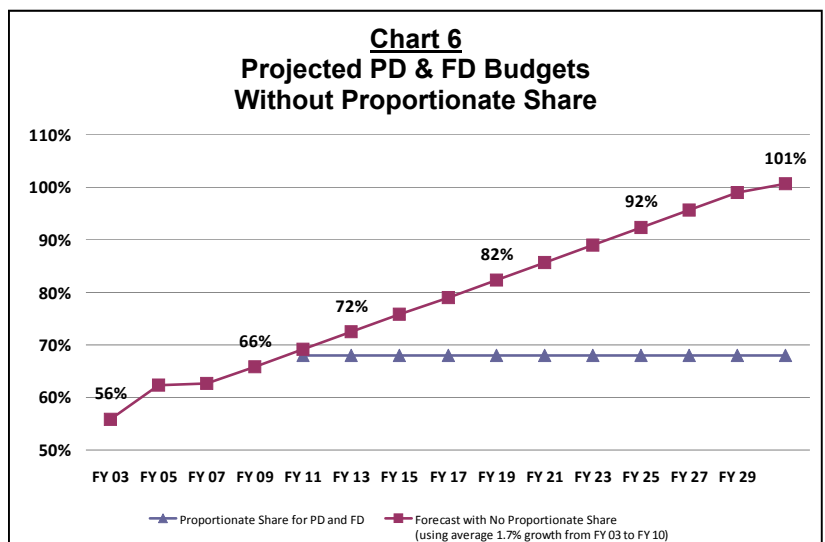
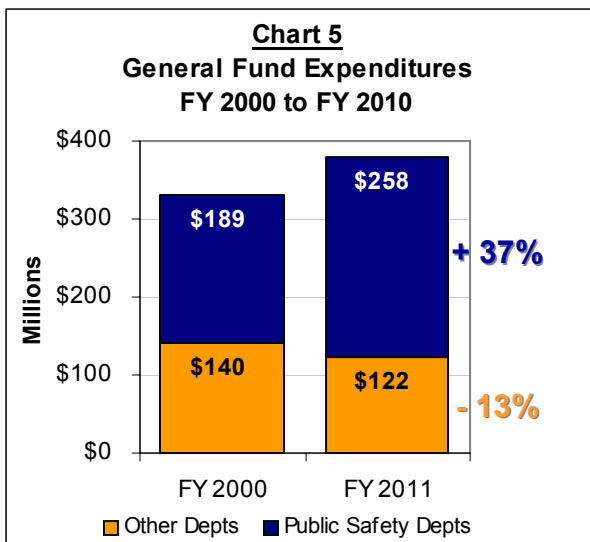
| New Costs                                    | FY 12         | FY 13         | FY 14                     | 3-Year Total  |
|--|---------------|---------------|---------------------------|---------------|
| Salary Increases                             | \$6.3         | \$9.3         | \$8.0                     | \$23.6        |
| Pension Cost Increases                       | 10.2          | 1.9           | 1.1                       | 13.2          |
| General Increases                            | 3.8           | 3.2           | 3.9                       | 10.9          |
| <b>Total Expense</b>                         | <b>\$20.3</b> | <b>\$14.4</b> | <b>\$13.0</b>             | <b>\$47.7</b> |
| <b>Revenue Increase</b>                      | <b>\$0.0</b>  | <b>\$0.4</b>  | <b>\$6.8</b>              | <b>\$7.2</b>  |
| <b>Projected Annual Deficit <sup>1</sup></b> | <b>\$20.3</b> | <b>\$14.0</b> | <b>\$6.2 <sup>2</sup></b> | <b>\$40.5</b> |

<sup>1</sup> Total expense minus revenue increase.  
<sup>2</sup> A range of \$6.1 to \$9.5 million has been projected for the FY 14 deficit.

## Maintaining a Proportionate Share

Maintaining core public safety, quality of life, and legally-required administrative functions is absolutely essential to a healthy and productive city and community. As demonstrated in **Chart 5**, over the past 11 years, budgeted expenditures for our public safety departments increased 37 percent, while budgeted expenditures for our other departments decreased by 13 percent. In the development of the last year's budget (FY 11), it became evident that we could not continue the trend of reallocating public resources from crime prevention to crime suppression. As such, all departments participated in the deficit solutions; exemptions for Police and Fire sworn staffing could no longer be sustained.

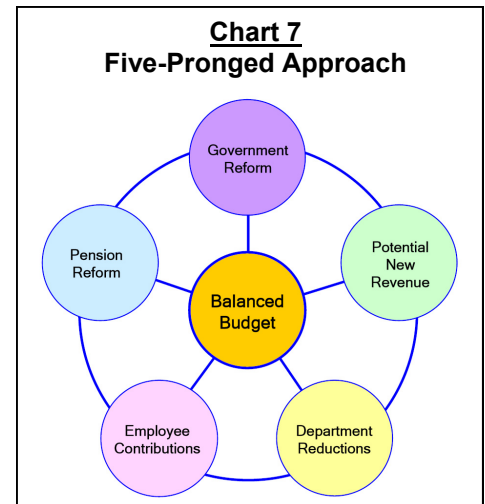
Continuing the "proportionate share" approach implemented in FY 11, City departments were assigned reduction targets to curtail their growth, primarily from negotiated salary increases and pension cost increases. The approach ensures that our Police and Fire Departments receive the majority of the General Fund resources each and every year (nearly 70 percent), while keeping funds to pay for all the other services our residents deserve such as parks, libraries, sidewalks, code enforcement, animal control, and support services. As depicted in **Chart 6**, without a proportionate share approach, 100 percent of our General Fund would go towards public safety by 2030.





## A Five-Pronged Approach

The City Manager has proposed to continue the five-pronged approach introduced in FY 11 to address the FY 12 deficit, which minimizes cuts to services, and serves to limit the number of employee layoffs that would otherwise be required. As shown in **Chart 7**, the five prongs are Government Reform, Pension Reform, Employee Contributions, Potential New Revenue, and Department Reductions. A description of each prong follows:



### Government Reform

In order to continue to provide efficient and effective services to the community, City government must adapt its structure. These changes are paramount to our ability to provide the best services possible with the resources available.

In FY 11, organizational functions were realigned by transferring the Occupational Health and Employee Assistance Program from Health and Human Services to Human Resources, and realigned the Workforce Development Bureau, from Community Development to Human Resources. We also transferred the Neighborhood Resources and Housing Services Bureaus in Community Development to Development Services, consolidated Parking Management and Property Services Division within Public Works and moved the Housing Authority Bureau to Health and Human Services. These realignments resulted in an annual savings of nearly \$2 million in administrative and ancillary costs. Eight positions were eliminated, five of which were management.

In FY 12, we strive to look for new and improved approaches to service delivery. Among other initiatives, we are proposing to consolidate residential and commercial plan check services and inspections, as well as code enforcement, under the management of a single bureau to exact greater consistency, accountability, and coordination in these processes. We are also proposing to transfer the Animal Care Services Bureau from Health and Human Services to Parks, Recreation and Marine to take advantage of synergies in service provision. Additionally, we will be evaluating the potential for the consolidation of other functions including human resources administration, temporary worker hiring, capital project development and management, and parking operations. Further discussion of these and other proposed reforms can be found on page 25.

### Pension Reform

Long-term, meaningful pension reform can neither be avoided nor delayed. The State of California, along with local public agencies throughout California, have successfully negotiated reduced costs for current and future employee pensions. Pension reforms include increases in employee contributions toward retirement costs for current employees, reductions in benefits for new employees through increased retirement ages, lower benefit formulas, and expanded definitions of final compensation on which the pension benefit is based.

The FY 12 Proposed Budget contains meaningful reductions in pension costs to the City. The Mayor and City Council continue to lead by example by being the first group to agree to pick up the entire eight percent of their employee contribution to PERS, the City's retirement system. The Attorneys Association, Prosecutors Association and the unrepresented Management Employees in the Auditor's Office have agreed to pay an additional two percent towards their employee contribution rate. The Long Beach Management Association, the Confidential Association, Unrepresented Management Miscellaneous employees, Unrepresented Non-Management Employees, the Attorneys Association, and the Prosecutors Association have all agreed to a new tier for new employees with a formula of 2 percent at 60, three-year average final compensation, and full PERS pick-up. The three largest employee associations, the Police Officers Association (POA), the Fire Fighters Association (FFA), and the International Association of Machinists (IAM), have not agreed to any concessions.



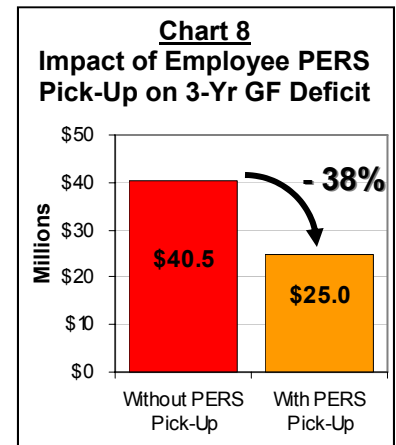
# Proposed Fiscal Year 2012 Budget for Community Review

## Employee Contributions

Employee participation in deficit-reduction solutions would significantly decrease the number of layoffs and types of service changes necessary. Five of the City's nine employee organizations have current multi-year contracts. They include: the Police Officers Association (POA), the Fire Fighters Association (FFA), the International Association of Machinists (IAM), the Prosecutors' Association, and the Attorneys' Association. These contracts contain nearly \$24 million in negotiated increases through Fiscal Year 14, and contain general salary increases, new and higher skills pays, equity adjustments, and step increases.

The City and our employee organizations have been discussing forgoing contractually required salary increases or contributing more towards their pension costs. There are numerous potential scenarios and timelines for their participation. For illustrative purposes, **Chart 8** shows what the savings would be if all employee groups picked up their full PERS (pension) employee contribution rate over the next three years. The three-year General Fund deficit would decrease by 38%, from \$40.5 million to \$25.0 million.

To date, the discussions with the employee organizations have not produced new agreements. While we remain hopeful our employee groups will participate, we cannot assume this will occur. Accordingly, the FY 12 Proposed Budget relies on department reductions, proven new or increased revenues, and agreements with employee groups made prior to the release of this budget.



## Potential New Revenue

While a few revenues, such as sales tax, are inching upward, others are flat or declining. The bottom of the housing market collapse remains nebulous. Without a turn around in revenue producing economic activity, we cannot solve our long-term deficits through revenue growth. A prudent and responsible approach to all revenue projections is necessary. In order to help ensure we are not over-estimating revenue, the FY 12 Proposed Budget contains no unproven new revenues.

Given the current strong oil revenue performance in the Upland Oil Fund, the FY 12 Proposed Budget increases the structurally budgeted price per barrel of oil from \$45/bbl to \$55/bbl. This will provide an additional \$6 million revenue transfer from the Upland Fund to the General Fund which will be used to offset historically underperforming revenues. Though the price of oil is currently trending higher than \$55/bbl, Long Beach has learned, through past experience, the commodity is extremely volatile and uncontrollable. As such, we are not recommending budgeting at a rate higher than \$55/bbl.

## Department Reductions

As previously mentioned, departments' reduction targets were specifically established to maintain their proportionate share of the General Fund. These targets are shown in **Chart 9**. (Note: The amounts shown for FY 13 and FY 14 are projections, and are subject to change.)

Public safety is unquestionably the City's highest priority. However, the percentage of the budget devoted to this purpose simply cannot be allowed to grow. The impacts to other essential City services would be severe if the Police and Fire Departments did not take their proportionate share of reductions. For every \$1 million exemption for the Police or Fire Department's deficit reduction target, the reductions for the other departments would increase by 16 percent.

**Chart 9**  
Proportionate Share Reduction Targets (in millions)

|                      | FY 12         | FY 13         | FY 14        | 3-Year Total  |
|----------------------|---------------|---------------|--------------|---------------|
| Police               | \$9.4         | \$6.9         | \$4.0        | \$20.3        |
| Fire                 | 5.0           | 3.9           | 2.2          | 11.2          |
| Public Works         | 1.7           | 0.9           | -            | 2.6           |
| Parks, Rec. & Marine | 1.1           | 0.9           | -            | 2.0           |
| All Others*          | 1.2           | 0.5           | -            | 1.7           |
| Elected & Appointed  | 1.0           | 0.5           | -            | 1.5           |
| Library Services     | 0.9           | 0.4           | -            | 1.3           |
| <b>Total</b>         | <b>\$20.3</b> | <b>\$14.0</b> | <b>\$6.2</b> | <b>\$40.5</b> |

\* Includes City Manager, Citywide Activities, Development Services, Financial Management, Health & Human Services, and Human Resources.



# Proposed Fiscal Year 2012 Budget for Community Review

## Proposed General Fund Reductions for FY 12

**Chart 10** summarizes the FY 12 proposed reductions for each department. A description of each reduction is provided below. For ease of review, all reallocations of resources within departments, offsets, adjustments, and minor reductions have not been included.

| <b>Chart 10<br/>FY 12 General Fund Deficit Reductions by Department</b> |                       |                              |
|---|-----------------------|------------------------------|
| Departments   | Amount                | Positions Impacted           |
| Police  | \$(9,388,415)         | (75.48) <sup>1</sup>         |
| Fire  | (5,021,600)           | (29.00) <sup>2</sup>         |
| Public Works  | (1,728,353)           | (15.90)                      |
| Parks, Recreation & Marine  | (1,091,573)           | (15.84)                      |
| Library Services  | (853,015)             | (10.03)                      |
| Elected & Appointed   | (1,009,256)           | (12.11) <sup>3</sup>         |
| All Others <sup>4</sup>   | (1,172,364)           | (9.23)                       |
| <b>TOTAL</b>  | <b>\$(20,264,576)</b> | <b>(167.59) <sup>3</sup></b> |

1. 31.48 sworn FTEs.
2. 27 sworn FTEs.
3. Does not include all potential position reductions.
4. Includes City Manager, Citywide Activities, Development Services, Financial Management, Health & Human Services, and Human Resources.

### CITY ATTORNEY

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Reallocate a portion of Administrative staff to non-General Fund resources.                      | \$(102,712)       | (0.80)    |
| Reallocate costs for Legal Secretary from General Fund to the Insurance Fund.                    | (62,402)          | (0.50)    |
| Eliminate the discretionary 2% given by the City Attorney per the City Attorney Association MOU. | (27,308)          | -         |
| Reduce budgeted expenditures for materials and supplies.   | (5,785)           |           |

### CITY AUDITOR

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Increase PERS payback due to executive management employees' increased contributions by 2% to a total of 6%. | \$(13,084)        | -         |
| Reduce personnel services budget to eliminate the ability to fill a vacant position.                         | (84,640)          | -         |

### CITY CLERK

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Downgrade a City Clerk Analyst position to a City Clerk Specialist position.   | \$(11,259)        | -         |
| Reduce budgeted expenditures for office materials and contractual services in the Records Center and Microfilm Center. | (16,630)          | -         |

### CITY MANAGER

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Restore a portion of the Special Advertising and Promotion Fund's personal services allocation reallocated to the General Fund in FY 11 for the positions of City Manager, Assistant City Manager, Deputy City Manager, and Assistant to the City Manager. Also, reduce materials in City Communications. | \$(132,183)       | (0.59)    |
| Reduce budgeted expenditures for contractual services in Intergovernmental Relations.   | (11,688)          | -         |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - General Fund

### CITY PROSECUTOR

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate vacant funded and unfunded positions, and further cutting supplies and administrative costs. Significant impact on handling of criminal cases. | \$(258,432)       | (10.00)   |

### CIVIL SERVICE

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate the Administrative Officer position (management).   | \$(107,407)       | (0.81)    |
| Reduce budgeted expenditures for advertising, office equipment, printing, and contractual services. | (8,912)           | -         |

### DEVELOPMENT SERVICES

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate the Planning Bureau Manager position (management). The Deputy Director will oversee Planning Bureau operations. This reduction impacts several funds and was a result of the FY 11 Government Reform initiative. | \$(16,544)        | (0.09)    |
| Eliminate a Community Development Analyst III position in the Administrative and Financial Services Bureau.  | (63,779)          | (1.00)    |
| Reduction in rent as a result of new lease agreement for 400 and 500 W. Broadway that combines the office spaces of Code Enforcement and Neighborhood Services staff at 444 W. Ocean Blvd.                                 | (51,300)          | -         |
| Reduce budgeted expenditures for Code Enforcement materials and supplies.  | (3,995)           | -         |
| Eliminate a Special Projects Officer position (management).  | (34,344)          | (0.25)    |

### FIRE

|   | Impact on Deficit | Positions       |
|---|-------------------|-----------------|
| Daily staffing on up to nine Engines will be reduced from four to three, reducing one post position per engine. The three-person engine is used as the fire response model in Los Angeles and Orange Counties, and the Cities of Lakewood, Manhattan Beach, Hermosa Beach, and Redondo Beach.   | \$(3,243,198)     | (27.00 sworn)   |
| Restructure service delivery at Station 18 replacing the Engine with a Paramedic Rescue unit. This item eliminates the Citywide rolling engine reduction (+\$1.5 million) enacted in FY 11 and changes the staffing model at Station 18 to a station staffed with a single Paramedic Rescue. Medical calls comprise 75 to 80 percent of the current calls in Station 18's area. The Paramedic Rescue currently at Station 19 would move to Station 18. Engine companies from surrounding stations would continue to provide engine capabilities to this area, and Station 18 would remain open. The four displaced employees will be assigned each day to other vacant positions on other fire apparatuses and will avoid over \$1.8 million (net additional savings of \$0.3 million) in constant staffing callback (overtime) expense annually. | (262,388)         | -               |
| Enhance Station 17 Staffing. Split current six-person Light Force 17 unit into one four-person Truck and one three-person Engine. The Engine and Truck will be independent of each other.   | 218,110           | -               |
| Eliminate the fifth Truck, returning to 2007 service levels. The fifth Truck (Truck 14) was added through support from Prop. H funds in December 2007 to provide additional truck coverage throughout the City. This reduction results in four trucks available citywide for response. The four displaced employees will be assigned each day to other vacant positions on other fire apparatuses and will avoid over \$1.8 million in constant staffing callback (overtime) expenses annually.   | (1,841,762)       | -               |
| Prop H Staffing Realignment. Shift three Fire Captains from Prop. H fund to General Fund and shift three Fire Engineers from General Fund to Prop. H fund. Prop H will continue to support nine positions on a Truck (three Engineers and six Firefighters).  | 107,638           | -               |
| Eliminate two vacant positions (one management) to remove negative savings amounts input in prior years' budgets in lieu of specific reductions.  | -                 | (2.00 civilian) |





# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - General Fund

### FINANCIAL MANAGEMENT

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Debt services correction for annual Carnival Cruises' administrative fee to reflect negotiated contract change.   | \$45,000          | -         |
| Eliminate a Customer Services Supervisor II position and an Accounting Clerk position. Existing staff will take on additional duties.   | (155,888)         | (2.00)    |
| Reduce budgeted expenditures for materials, supplies, and contractual services, and adjust revenues.  | (111,029)         | -         |
| Consolidate debt accounting within the debt management function to more efficiently manage the City's debt portfolio, aligning the function with the cost of service delivery.  | (101,000)         | -         |
| Transfer a portion of an Accounting Officer and Accountant II costs to the General Services Fund to accurately reflect the workload.  | (125,208)         | (1.00)    |
| Shift an Administrative Analyst III position to Commercial Services administration to better reflect work duties. The administrative portion of the Bureau's costs are allocated out through the Commercial Services MOU.   | (117,714)         | -         |
| Transfer costs associated with an Accountant III position to the Water Fund, Refuse Fund, and Gas and Oil as part of the required support for the Customer Information System (CIS) project. The position will direct charge the CIS project for time spent supporting the project. | (56,323)          | -         |
| Convert a vacant Business License Inspector I position into non-career hours in the Business Licensing Division.  | (45,603)          | (1.00)    |
| Eliminate two vacant positions to remove negative savings amounts input in prior years' budgets in lieu of specific reductions.   | -                 | (2.00)    |

### HEALTH & HUMAN SERVICES

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate one of three Jail Nurse positions, reducing coverage during periods of least activity.   | \$(100,501)       | (1.00)    |
| Eliminate the General Fund revenue transfer for Hazardous Waste and Water Testing Program and transfer the cost to the Health Fund. The Health Department is aggressively working to minimize costs for hazardous waste clean up for spills where no responsible party may be identified and works regularly with Fire inspection and the City Attorney's Office to ensure full cost recovery. Also, the voluntary bay water-testing program was put into place several years ago on the request of the Marine Bureau and staff no longer recommends this testing. | (203,529)         | -         |
| Reduce General Fund revenue transfer to the Health Fund for administrative costs, such as supplies, temporary staff, and facility maintenance.   | (5,914)           | -         |

### HUMAN RESOURCES

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate the Manager of Economic Development position (management), a Secretary position, and related marketing services as a result of the FY 11 Government Reform initiative. | \$(40,491)        | (0.30)    |

### LIBRARY SERVICES

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce three Neighborhood Libraries (Alamitos, Bach, and Brewitt) to "Reading Room" libraries. Libraries chosen have other full-service libraries in the same Council District (Main, El Dorado, and Los Altos). These "Reading Room" libraries will offer check-out of materials and computer use, but offer limited library programs, reduced librarian assistance, and provide no fee-based rentals or fine/fee payments. This new service delivery approach is an alternative to closing libraries or reducing days of operation. | \$(703,727)       | (8.95)    |
| Convert two Maintenance Assistant II positions into one General Maintenance Assistant position.   | (55,850)          | (1.00)    |
| Reduce materials budget, which results in fewer new materials available for residents to borrow.  | (58,000)          | -         |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - General Fund

### LIBRARY SERVICES (CONT.)

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce supplies, services, staffing, and Internal Support budgets for Main Library and Central Services. Main Library will be unable to replace equipment and furniture. With increased use of technology and email, postage expense has been significantly reduced. Youth Services will be limited in its ability to purchase items for library programs and supplies. Reduce staffing at the "City Source" information desk in the Lobby of City Hall, which is staffed solely by Library Services. | \$(35,438)        | (0.08)    |

### MAYOR & CITY COUNCIL

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Reduce budgeted expenditures for personnel, supplies and administrative costs. | \$(310,685)       | TBD       |

### PARKS, RECREATION AND MARINE

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce materials and supplies budgets for Afterschool Program at all parks, and for Teen Programs at regional parks (McBride, Chavez, Houghton, and Silverado).   | \$(71,841)        | -         |
| Move a portion of a Clerk Typist and Landscape Maintenance Monitor budgeted in the Transportation Fund, funded by Prop A into General Fund.   | 26,341            | 0.40      |
| Reduce custodial service frequencies to all Parks facilities depending on facility use. Certain facilities will not have the trash removed, bathrooms and floors cleaned as often.  | (50,000)          | -         |
| Eliminate afterschool supervision and programming at El Dorado West Teen Program and utilize the building for contract classes for youth.   | (32,563)          | (0.94)    |
| Eliminate funding for Volunteer Program. Interns from LBUUSD will be used instead.  | (39,076)          | (0.58)    |
| Eliminate staffing for Day Camp at King Park, which has not been held for over two years and eliminate the revenue associated with this program.  | (31,313)          | (1.90)    |
| Eliminate a Recreation Supervisor position, an Administrative Analyst II position, and a Clerk Typist II position providing clerical support in Community Recreation Services Bureau.   | (263,754)         | (3.00)    |
| Renegotiate lease contract for the Recreation, Maintenance, and Development Bureaus' Scotsman trailers used for office space.   | (56,794)          | -         |
| Reduce staff charges to General Fund by increasing the amount recovered by the project budgets in the Capital Projects Fund.  | (59,992)          | (0.40)    |
| Reduce budgeted expenditures for materials, supplies, and contractual services. Bureaus will find efficiencies in day-to-day operations.  | (93,498)          | -         |
| Reduce materials and supplies available for senior recreational programming at the Long Beach Senior Center on 4 <sup>th</sup> Street and the satellite senior centers.   | (30,000)          | -         |
| Reduce available resources to address park roadway pothole repair, aging HVAC systems and repairs caused by the increased vandalism of park facilities and equipment.   | (46,021)          | -         |
| Reduce number of days and hours of Gym Operations from five days to three days a week; Monday, Wednesday and Saturday to four hours per day.  | (57,458)          | (2.06)    |
| Reduce staffing for the Adaptive Recreation program through efficiencies. The remaining Community Services Supervisor and part-time staff will assume the additional duties.  | (57,048)          | (0.96)    |
| Restructure the Reservation/Registration office for staffing efficiency by eliminating a Clerk III position, Systems Analyst position and non-career hours of a Recreation Leader II and adding a non-career Recreation Leader VII.                                       | (79,045)          | 0.25      |
| Reduce the school pool funding through staffing efficiencies, while continuing to provide summer programming at Millikan and Jordan High Schools and at Will J. Reid.   | (50,125)          | (1.60)    |
| Eliminate afterschool programming from 3-6 pm, and 14 weeks of summer, winter, and spring Fun Days at Heartwell Park. The facility will be used for contract classes and expanded youth, adult, and senior enrichment programs. Eliminates non-career hours and supplies. | (39,579)          | (1.09)    |
| Reduce budgeted expenditures for Public Works engineering and survey services.  | (5,319)           | -         |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - General Fund

### PARKS, RECREATION AND MARINE

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce budgeted expenditures for as-needed grounds landscape maintenance repairs and services. This will further limit the Department's ability to address turf, tree, and irrigation issues. | \$(37,488)        | -         |
| Increase animal licensing revenue in Animal Care Services. Web licensing technology will allow the department to reach out to residents electronically.                                       | (17,000)          | -         |
| Eliminate approximately four vacant positions (one management) to remove negative savings amounts input in prior years' budgets in lieu of specific reductions.                               | -                 | (3.96)    |

### POLICE

|   | Impact on Deficit | Positions                       |
|---|-------------------|---------------------------------|
| Eliminate four sworn positions in the Homeland Security Section. The administrative function will be transferred to the Patrol Division and training function re-assigned to Academy/Training Division.                                       | \$(579,884)       | (4.00 sworn)                    |
| Reduce Critical Incident Management by two sworn positions. Responsibilities include management of large-scale events, which will be decentralized and re-assigned to the respective Patrol Division Lieutenant.                              | (348,945)         | (2.00 sworn)                    |
| Eliminate a total of 14 Police Officer positions from the Patrol Divisions (North, South, East, West).  | (1,654,968)       | (14.00 sworn)                   |
| Downsize Vice Day Crew by one sworn position assigned to process business related permits. Caseload will be redistributed among remaining 13 personnel in the section.  | (133,678)         | (1.00 sworn)                    |
| Eliminate Auto Theft Detail Sergeant position. Supervisory responsibilities will be transferred to another Sergeant and caseloads distributed to the remaining five sworn employees.  | (170,063)         | (1.00 sworn)                    |
| Downsize the Gang Enforcement Field Team by one civilian position and three sworn positions. Supervisory responsibility will be transferred to another Sergeant within the division and caseloads redistributed to the remaining 42 Officers. | (517,924)         | (3.00 sworn)<br>(1.00 civilian) |
| Downsize the Violent Crimes Detail by two sworn positions. Caseloads will be distributed to the remaining 10 sworn personnel within the unit.   | (271,867)         | (2.00 sworn)                    |
| Eliminate the Juvenile-Car (J-Car) Unit, which is not funded by the LBUSD contract. Patrol units will cover J-Car responsibilities as needed. Eliminates a Sergeant position and two Police Officer positions.                                | (433,235)         | (3.00 sworn)                    |
| Eliminate the Communications Center Coordinator position. The function will be re-assigned to other personnel.  | (132,718)         | (1.00 civilian)                 |
| Eliminate two sworn positions and an unfilled Intelligence Analyst position in the Office of Counter Terrorism. A consultant already provides the function of this Intelligence Analyst position.   | (290,412)         | (2.00 sworn)<br>(1.00 civilian) |
| Eliminate two Special Services Officer III positions, one in the Court Bailiffs Section and one in the Detention Transport Unit. Staff from other unit will be reassigned or backfill the post using overtime as needed.                      | (155,504)         | (2.00 civilian)                 |
| Eliminate two vacant Administrative Analyst II positions in the Office of the Chief of Police and in Training Administration. Other staff in the respective bureau and division are already performing the function.                          | (201,002)         | (2.00 civilian)                 |
| Eliminate a Clerk Supervisor position and three Special Services Officer III positions in the Background Investigations Section of the Training Division. Responsibilities will be backfilled by other staff on special detail basis.         | (292,629)         | (4.00 civilian)                 |
| Eliminate seven Clerk Typist III positions, a Senior Records Clerk position, and a Police Services Specialist position from various divisions. The department will restructure to maximize remaining resources.                               | (566,864)         | (9.00 civilian)                 |
| Eliminate three Clerk Supervisor positions in the Records and Information Management Division. Positions were vacant and had been defunded.   | (74,297)          | (3.00 civilian)                 |
| Reallocate a portion of a Motor Officer position from Prop. H to the General Fund.  | 65,375            | 0.52 sworn                      |
| Reduce Police Fleet budget by five vehicles as a result of staffing reductions.   | (87,500)          | -                               |
| Reduce Jail medical services contract with Community Hospital of Long Beach.  | (500,000)         | -                               |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - General Fund

### POLICE (CONT.)

|   | Impact on Deficit | Positions        |
|---|-------------------|------------------|
| Expiration of off-site lease at 11 Golden Shore. Personnel will be transferred to another existing facility without additional rental costs.  | \$(92,362)        | -                |
| Convert three Corporal positions, which are being phased-out, to Police Officer positions.  | (41,116)          | -                |
| Transfer and downgrade a System Support Specialist I position to a System Tech II position in Technology Services. Position will continue to provide services to PD and thus no service impact to the department. This change is consistent with the Government Reform initiative to consolidate oversight of technology functions, | (14,721)          | (1.00 civilian)  |
| Eliminate one Police Investigator non-career position providing administrative support in the South Division.   | (83,168)          | (1.00 civilian)  |
| Reduce materials and supplies budget by approximately 2%.   | (129,467)         | -                |
| Eliminate two vacant Clerk Typist III and five vacant Special Services Officer III positions. The Department will restructure to maximize remaining resource.   | (501,033)         | (7.00 civilian)  |
| Reduce budgeted expenditure for overtime by approximately 24%, which may result in delays in report taking, investigations, and the completion of case work.  | (2,180,433)       | -                |
| Eliminate 12 vacant civilian positions to remove negative savings amounts input in prior years' budgets in lieu of specific reductions.   | -                 | (12.00 civilian) |

### PUBLIC WORKS

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce Public Service vehicle expense by returning a lowboy truck to Fleet to be shared in a pool, and reduce ESB Street Sweeper tow costs by utilizing the shared lowboy truck in Fleet.     | \$(36,991)        | -         |
| Reduce street sweeper parts costs by effectively using more readily available aftermarket parts.  | (54,120)          | -         |
| Convert to environmentally friendly plastic-backed sweeper brooms instead of metal-backed brooms.   | (52,690)          | -         |
| Eliminate one Street Sweeping vehicle with minimal impact to operation as there are spare vehicles. This is a leased vehicle with high maintenance and fuel costs.                            | (136,732)         | -         |
| Eliminate one Motor Sweeper Operator position (Night Sweeper position).   | (82,192)          | (1.00)    |
| Eliminate a Real Estate Officer position (management) funded by both the General Fund and the Redevelopment Fund.   | (126,836)         | (0.85)    |
| Eliminate a Stock and Receiving Clerk position, Assistant Traffic Signal Technician I, and a Maintenance Assistant III position.  | (205,341)         | (3.00)    |
| Eliminate portions of two Civil Engineering Associate positions, two Engineering Technician II positions, and a Senior Civil Engineer position.   | (219,411)         | (2.00)    |
| Transfer a portion of City Light and Power payment from General Fund to Gas Tax Fund.   | (674,000)         | -         |
| Eliminate an Environmental Specialist Associate, materials budget, and expense transfer allocation in the Engineering Bureau that was added in FY 07 to be charged to Fleet but never filled. | (12,971)          | (1.00)    |
| Reclassify Division Engineer to Traffic and Transportation Administrator.   | 6,000             | -         |
| Eliminate two Tymco sweepers, two flat bed trucks, and one Parking Control vehicle.   | (112,699)         | -         |
| Convert one Refuse Operator III position into Refuse Operator II-NC hours.  | (20,370)          | 0.20      |
| Eliminate 8.25 vacant positions to remove negative savings amounts input in prior years' budgets in lieu of specific reductions.  | (0)               | (8.25)    |



# Proposed Fiscal Year 2012 Budget for Community Review

## Proposed General Fund Reductions for FY 13

In FY 13, departments will continue to take reductions to mitigate their growth and maintain their “proportionate share.” The reduction amounts for the Police and Fire Departments are large because the employees represented by the POA and the FFA will be receiving previously negotiated salary increases. **Chart 11** summarizes potential FY 13 reductions for each department. A description of each reduction is provided below. The amounts shown are projections and are subject to change.

| <b>Chart 11</b>  |                       |                             |
|--|-----------------------|-----------------------------|
| <b>FY 13 General Fund Deficit Reductions by Department</b> |                       |                             |
| Departments  | Amount                | Positions Impacted          |
| Police   | (6,857,506)           | TBD                         |
| Fire   | (3,940,271)           | (27.00) <sup>1</sup>        |
| Public Works   | (865,534)             | (9.98)                      |
| Parks, Recreation & Marine                                 | (854,304)             | TBD                         |
| Library Services   | (444,839)             | TBD                         |
| Elected & Appointed  | (514,117)             | (1.62) <sup>2</sup>         |
| All Others <sup>3</sup>                                    | (503,102)             | (3.18)                      |
| <b>TOTAL</b>   | <b>(\$13,979,673)</b> | <b>(41.78) <sup>2</sup></b> |

1. 27 sworn FTEs.
2. Does not include all potential position reductions.
3. Includes City Manager, Citywide Activities, Development Services, Financial Management, Health & Human Services, and Human Resources.

### CITY ATTORNEY

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate two Legal Records Specialist positions portions of which are budgeted in the General Fund and associated expenses. | \$(53,805)        | (.72)     |

### CITY AUDITOR

|                                     | Impact on Deficit | Positions |
|-------------------------------------|-------------------|-----------|
| Increase PERS payback.              | \$(14,010)        | -         |
| Eliminate ability to fill position. | (13,142)          | -         |

### CITY CLERK

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate a portion of a Clerk Specialist position in the record center. | \$(85,439)        | (.90)     |

### CITY MANAGER

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Reduce General Fund personal services allocation for the City Manager, Assistant City Manager, and Assistant to the City Manager and reallocate to the Special Advertising and Promotion Fund. | \$(30,882)        | (0.18)    |

### CITY PROSECUTOR

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce budgeted expenditures for personnel, supplies, and administrative costs in the General Fund. | \$(120,232)       | TBD       |

### CIVIL SERVICE

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Reduce budgeted expenditures for travel, recruitment, and testing. | \$(45,465)        | -         |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 13 - General Fund

### DEVELOPMENT SERVICES

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate a portion of a Combination Building Inspector position from Code Enforcement. | \$(61,849)        | (0.50)    |

### FIRE

|  | Impact on Deficit | Positions     |
|--|-------------------|---------------|
| Close an Engine Company (three-person company). Personnel displaced from the closed Engine Company may be re-assigned to other stations. Depending on the number of existing vacancies at the time of closure, if any, this may result in layoffs. | \$(1,618,536)     | (9.00 sworn)  |
| Reduce remaining six Engines to three-person staffing levels, eliminating 18 Firefighter positions and associated call-back overtime.  | (2,321,735)       | (18.00 sworn) |

### FINANCIAL MANAGEMENT

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Downgrade Buyer II position to a Buyer I level in the Purchasing Division.  | \$(10,067)        | -         |
| Eliminate an Administrative Analyst III position and Business License Inspector I-NC positions.   | (171,449)         | (1.50)    |
| Outsource mail opening and payment processing of mailed in payments. Estimated cost savings are achieved with the elimination of one Customer Service Representative II position (\$66,000) and the elimination of the maintenance contracts for the remittance processors and mail opening machines (\$25,000). This would require an RFP and a Prop. L finding. | (91,000)          | (1.00)    |
| Further reduce administrative costs in the Accounting Bureau.   | (115,436)         | -         |

### HUMAN RESOURCES

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce budgeted expenditures for personnel, supplies, and administrative costs. | \$(4,630)         | -         |

### HEALTH & HUMAN SERVICES

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce General Fund revenue transfer to the Health Fund for administrative costs.   | \$(13,380)        | -         |
| Reduce Health Facilities Center's budgeted expenditures for materials and supplies. | (4,409)           | -         |

### LIBRARY SERVICES

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| A combination of branch library closures and the conversion to "Reading Room" libraries. | \$(444,839)       | TBD       |

### MAYOR & CITY COUNCIL

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduce budgeted expenditures for personnel, supplies, and administrative costs. | \$(182,024)       | TBD       |

### PARKS, RECREATION & MARINE

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| The lease for the old North PAL building expires at the end of FY 12. The revenue generated from bus shelter advertising was used to reduce the subsidy from the General Fund for the rent. In FY 13, this revenue source will now be used to continue youth recreation services without disruption. | \$(320,000)       | -         |
| Reduce support for Rancho Los Alamitos and Rancho Los Cerritos by 5% each.   | (50,000)          | -         |
| Identify efficiencies in administrative functions, which may result in reductions to staffing and supplies.  | (25,000)          | TBD       |
| Reduce staffing the Grounds Maintenance Division. This will decrease the number of staff available to provide contract monitoring and other related duties.  | (111,693)         | TBD       |
| Reallocate charges from the General Fund by increasing the amount recovered by the project budgets in the Capital Projects Fund.   | (70,000)          | -         |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 13 - General Fund

### PARKS, RECREATION & MARINE (CONT.)

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| The Department will continue to explore innovative models of service delivery to keep parks green and facilities safe. These include the possibility of implementing a passive park use model, forming strategic partnerships for programming, and identifying internal efficiencies to cut costs. | (204,611)         | TBD       |
| Expansion of animal license fees through the implementation of new technologies.   | (73,000)          | -         |

### POLICE

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Savings target will be achieved through layoffs of civilians, or sworn personnel, or a combination thereof. It is estimated that as many as 44 positions would be eliminated. | \$(6,764,757)     | TBD       |
| Lease expiration at 11 Golden Shore. Personnel will be transferred to existing facilities.  | (92,749)          | -         |

### PUBLIC WORKS

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate two Senior Equipment Operator positions.  | \$(189,422)       | (2.00)    |
| Eliminate a Real Estate Technician II position, a Development Project Manager III position, and a Clerk Typist II position.   | (225,837)         | (2.28)    |
| Eliminate two Engineering Technician I positions in the Construction Services Division.   | (156,162)         | (2.00)    |
| Eliminate two Parking Control vehicles.   | (17,600)          | -         |
| Eliminate a Traffic Signal Technician I position, a Traffic Engineer Associate I position, an Equipment Operator III position, and a Maintenance Assistant II position. | (276,513)         | (3.70)    |

## Proposed General Fund Reductions for FY 14

In FY 14, all departments are projected to have curtailed their growth, except Police and Fire. The employees represented by the POA and the FFA will be receiving previously negotiated salary increases, which will require additional reductions within these departments to maintain the "proportionate share" approach. **Chart 12** summarizes potential FY 14 reductions for each department. A description of each reduction is provided below. The amounts shown are projections and are subject to change.

| Chart 12<br>FY 14 General Fund Deficit Reductions by Department |                    |                            |
|---|--------------------|----------------------------|
| Departments   | Amount             | Positions Impacted         |
| Police  | (3,956,721)        | TBD                        |
| Fire  | (2,271,822)        | (9.00) <sup>1</sup>        |
| <b>TOTAL</b>  | <b>(6,228,543)</b> | <b>(9.00) <sup>2</sup></b> |

1. 9.0 sworn FTEs.
2. Does not include all potential position reductions.

### FIRE

|  | Impact on Deficit | Positions   |
|--|-------------------|-------------|
| Additional closure of an Engine Company and partial staffing reduction of another existing apparatus. Personnel displaced from the closed Engine Company may be re-assigned. Depending on the number of existing vacancies at the time of closure, if any, this will likely result in layoffs. | \$(2,271,822)     | (9.0 sworn) |

### POLICE

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Savings target will be achieved through layoffs of civilians, or sworn personnel, or a combination thereof. It is estimated that as many as 26 positions may be eliminated. | \$(3,956,721)     | TBD       |



# Proposed Fiscal Year 2012 Budget for Community Review

## Proposed Changes To Other Funds for FY 12

While this document has focused on the General Fund, several other City funds have been impacted by declining revenue sources, increasing costs to provide services, the State budget crisis, and other factors. **Chart 13** summarizes the FY 12 proposed changes for each fund. A description of each change is provided below. It should be noted that the reductions identified for the Redevelopment Fund do not include those that will be required if redevelopment ends. Rather, they are simply those that are necessary to keep the Redevelopment Fund balanced based on prior financial conditions. Please see Page 24 for more information regarding the potential impacts.

| <b>Chart 13</b>                       |                       |                     |
|---------------------------------------|-----------------------|---------------------|
| <b>FY 12 Changes to Other Funds</b>   |                       |                     |
| Funds                                 | Amount                | Positions Impacted  |
| Airport                               | \$(950,637)           | (1.25)              |
| Business Assistance                   | (63,792)              | (0.50)              |
| Capital Projects                      | (173,826)             | (2.75)              |
| Civic Center                          | (345,000)             | (0.51)              |
| Community Development Block Grants    | (183,916)             | (2.75)              |
| CUPA                                  | (42,096)              | (0.40)              |
| Development Services                  | 695,556               | (3.11)              |
| Employee Benefits                     | (158,437)             | (1.05)              |
| Fleet                                 | (1,370,799)           | (1.00)              |
| Gas                                   | (879,377)             | (31.70)             |
| Gas Tax Street Improvement            | (349,085)             | -                   |
| General Grants                        | (34,843)              | (1.18)              |
| General Services (Technology)         | (1,074,349)           | (5.00)              |
| Health                                | (1,336,398)           | (17.07)             |
| Housing Development                   | (204,472)             | (2.80)              |
| Insurance                             | 10,433)               | (0.28)              |
| Marina                                | (85,806)              | (0.56)              |
| Park Impact Fees                      | (54,908)              | (0.29)              |
| Public Safety Oil Prod. Tax (Prop. H) | (168,790)             | (0.52) <sup>1</sup> |
| Rainbow Harbor                        | (25,000)              | -                   |
| Redevelopment                         | (146,167)             | (3.75)              |
| Refuse                                | (449,218)             | -                   |
| SERRF                                 | (35,664)              | (0.50)              |
| Special Advertising & Promotion       | 132,070               | 0.59                |
| Tidelands Operating                   | 137,032               | 1.00                |
| Tidelands Oil Revenue                 | (1,089,241)           | (10.75)             |
| Towing                                | (445,039)             | (4.00)              |
| Transportation                        | (58,937)              | (1.40)              |
| <b>TOTAL</b>                          | <b>\$(8,761,139)</b>  | <b>(91.53)</b>      |
| <b>FY 12 TOTAL WITH GENERAL FUND</b>  | <b>\$(29,025,715)</b> | <b>(259.13)</b>     |

1. 0.52 sworn FTE (transfer to General Fund)





# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - Other Funds

| <b>AIRPORT FUND (AIRPORT)</b>   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate a Leasing and Development Officer (management) position and add needed part-time clerical support for the Administration and Finance Bureau, Leasing division.        | \$(97,939)        | (0.25)    |
| Eliminate a Plumber position.   | (91,920)          | (1.00)    |
| Reduce environmental consulting, baggage belt maintenance contract and miscellaneous line items in operations.  | (61,078)          | -         |
| Reduce Administration Bureau Costs for Lot D, which is being replaced by the new parking structure in FY 12, and other miscellaneous line item changes in Administration Bureau | (1,432,140)       | -         |
| Increase Public Affairs Bureau budget for purchase of a noise monitor, the anticipated spending for noise consultants, and other miscellaneous line items.                      | 104,680           | -         |
| Increase Airport parking lot revenue due to the Airport's new parking structure.  | (1,245,000)       | -         |
| FY 12 debt service for 2009 Airport revenue bonds.  | 155,450           | -         |
| FY12 debt service for 2010 Airport Revenue bonds  | 1,717,310         | -         |

| <b>BUSINESS ASSISTANCE FUND</b>   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate the Manager of Economic Development position (management) and a Secretary position as a result of the FY 11 Government Reform initiative. (Human Resources) | \$(63,792)        | (0.50)    |

| <b>CAPITAL PROJECTS FUND</b>   | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Redirect staff charges to the Capital Projects Fund to eliminate the subsidy for Planning & Development Bureau from various funds. (Parks, Recreation & Marine)      | \$195,196         | 1.25      |
| Eliminate a Capital Projects Coordinator position. (Parks, Recreation & Marine)  | (126,659)         | (1.00)    |
| Eliminate portions of two Civil Engineering Associate positions, two Engineering Technician II positions, and a Senior Civil Engineer position. (Public Works)       | (351,043)         | (3.00)    |
| Reclassify Division Engineer to Traffic and Transportation Administrator in the Traffic Division. (Public Works)   | 4,000             | -         |
| Increase Public Affairs Bureau budget for purchase of a noise monitor, the anticipated spending for noise consultants, and other miscellaneous line items. (Airport) | 104,680           | -         |

| <b>CIVIC CENTER FUND</b>   | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Redistribute Library Clerk positions to reduce Internal Services Fund. (Library Services)  | \$(32,833)        | (0.51)    |
| Eliminate the Civic Center maintenance as provided by Parks, Recreation & Marine and transfer responsibilities to Public Works. (Parks, Recreation & Marine) | (102,167)         | -         |
| Technical cleanup to match the Police Department's Civic Center Security budget reduction that took place in FY 11. (Public Works)                           | (210,000)         | -         |

| <b>COMMUNITY DEVELOPMENT BLOCK GRANTS</b>  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate one Accountant III position from the Administrative and Financial Services Bureau as a part of department streamlining efforts. Along with the savings related to the eliminated position, is the matching offsetting negative expense. (Development Services)           | -                 | (0.28)    |
| Eliminate the Director of Community Development position and an Executive Assistant position (both management), as well as an Accounting Technician position and a Payroll/Personnel Assistant position, as part of the FY 11 Government Reform initiative. (Development Services) | \$(14,852)        | (1.12)    |
| Eliminate a Special Projects Officer position (management). (Development Services)   | (103,033)         | (0.75)    |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - Other Funds

### COMMUNITY DEVELOPMENT BLOCK GRANTS (CONT.)

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate the Manager of Economic Development position (management) and a Secretary position as a result of the FY 11 Government Reform initiative. (Human Resources) | \$(153,100)       | (1.20)    |
| Reallocate administrative overhead in the Department of Human Resources to the Workforce Development Bureau. (Human Resources)  | 87,069            | 0.60      |

### CUPA FUND

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Restructure Environmental Health programs to better utilize available resources. Eliminates a portion of a Hazardous Materials Specialist I position. (Health & Human Services) | \$(42,096)        | (0.40)    |

### DEVELOPMENT SERVICES FUND (DEVELOPMENT SERVICES)

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate the Planning Bureau Manager position (management). The Deputy Director will oversee Planning Bureau operations. This reduction impacts several funds and was a result of the FY 11 Government Reform initiative. Along with the savings related to the eliminated position, is the matching offsetting transfer of the cost to other funds.   | \$(9,264)         | (0.91)    |
| Eliminate one Accountant III position from the Administrative and Financial Services Bureau and one Clerk Typist III position from the Planning Bureau, as a part of department streamlining efforts. Along with the savings related to the eliminated Accountant III position, is the matching offsetting negative expense.  | (61,872)          | (1.24)    |
| Eliminate the Director of Community Development position and an Executive Assistant position (both management), as well as an Accounting Technician position and a Payroll/Personnel Assistant position. To reflect initial plans to keep these positions vacant in FY 12, the loaded rates were offset by a negative expense. The Department is now permanently eliminating these positions along with the related offset. | -                 | (0.96)    |
| Reduce budgeted revenues to reflect updated revenue projections. This item will reduce the revenue budget to provide an accurate revenue estimate for fund analysis.  | 827,693           | -         |
| Reduce budgeted expenditures for materials, supplies, and contractual services.   | (61,001)          | -         |

### EMPLOYEE BENEFITS FUND

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Reduce budgeted expenditures for materials, supplies, and contractual services. (Financial Management)                         | \$(41,028)        | -         |
| Eliminate Clerk Typist III position in the Leadership & Organizational Development Bureau. (Human Resources)                   | (63,331)          | (1.00)    |
| Reduce the technical services budget to hire specialized labor consultants in the Employee Benefits Fund. (Human Resources)    | (13,740)          | -         |
| Reallocate administrative overhead in the Department of Human Resources to the Workforce Development Bureau. (Human Resources) | (40,426)          | (0.55)    |
| Eliminate the discretionary 2% given by the City Attorney per the City Attorney Association MOU. (City Attorney)               | (4,748)           | -         |
| Reduce budgeted expenditures for materials, supplies, and contractual services. (City Attorney)                                | (57,566)          | -         |
| Reallocate costs for Legal Secretary position to non-General Fund resources. (City Attorney)                                   | 62,402            | 0.50      |

### FLEET FUND (PUBLIC WORKS)

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Reduce capital inflation for replacement costs by 5% for all vehicles, excluding leases (This is a one-time solution). | \$(507,584)       | -         |
| Properly allocate Fleet Services Bureau overhead to Fleet and Towing Funds.  | 90,345            | -         |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - Other Funds

| <b>FLEET FUND (CONT.) (PUBLIC WORKS)</b>  | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Properly allocate heliport supervision costs to Fleet Fund.   | \$27,507          | -         |
| Merge Fleet Maintenance and Fleet Acquisitions Divisions by converting two management positions (Superintendent of Fleet Maintenance and Superintendent of Acquisitions) into General Superintendent - Fleet Maintenance and Acquisitions. Also, upgrade an Equipment Mechanic II to Fleet Services Supervisor I to assist with the increased workload for the one remaining manager. | (72,587)          | (1.00)    |
| Reduce utility budget through the use of energy-efficient applications.   | (83,000)          | -         |
| Reduce incentive awards.  | (4,000)           | -         |
| Restructure maintenance intervals for Police Department L-Cars (undercover cars).   | (58,208)          | -         |
| Establish flat rate times for preventive maintenance services for Police Crown Victorias.   | (42,275)          | -         |
| Reduce maintenance costs to Police Department due to reduced age of Crown Victoria fleet.   | (174,400)         | -         |
| Remove part of overhead rate related to fleet facility costs for Mechanics stationed at remote facilities (four PD sub-stations).   | (109,653)         | -         |
| Relocate motorcycle maintenance shop to the Heliport.   | (15,464)          | -         |
| Clean up budget allocation for personnel expenses for Environmental Specialist Associate that was added to General Fund in FY 07 to be charged to Fleet; position was never filled.   | (122,359)         | -         |
| Provide smog and opacity tests for Water Department vehicles; increase charge to Water Department for fuel facility underground storage tank inspection, oversight and repairs; provide Welder services to the Water Department; and provide vehicle maintenance services to the Harbor Department.   | (27,121)          | -         |
| Reduce small tools, automotive repairs budget and cost to repair and maintain floor scrubbers at Fleet Services.  | (74,000)          | -         |
| Establish MOU with Parks, Recreation & Marine for oversight of Alamitos Bay fuel storage site operated by lessee.   | (30,000)          | -         |
| Recognize annual payment to Fleet Services for coordinating Long Beach Clean Cities Coalition activities, collecting and reporting data for annual survey.  | (22,500)          | -         |
| Reduce marine parts budgets.  | (140,500)         | -         |
| Eliminate standby pay for Fleet Services Supervisors in Maintenance Division and combine after-hours standby duty for boat and heavy duty mechanics.  | (5,000)           | -         |

| <b>GAS FUND (GAS &amp; OIL)</b>   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate 10 positions to meet department reduction target. Positions include: one Administrative Analyst III, one Customer Service Representative III, one Gas Construction Worker I, two Gas Construction Worker II, two Gas Field Services Representative II, one Engineering Tech III, one Senior Civil Engineer, and one Petroleum Engineer. | \$(879,377)       | (10.00)   |
| Eliminate 21.70 vacant positions to remove negative savings amounts input in prior years' budgets in lieu of specific reductions.   | (0)               | (21.70)   |

| <b>GAS TAX STREET IMPROVEMENT FUND (PUBLIC WORKS)</b>  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| City Light & Power contract was initially budgeted in CIP utilizing Gas Tax. It was subsequently moved to General Fund operating budget. Due to the increasing cost of the contract it is being proposed to utilize Gas Tax again for a portion of the annual payment. | \$674,000         | -         |
| Increase budgeted Gas Tax revenue to support FY 12 expense.  | (1,023,085)       | -         |

| <b>GENERAL GRANTS FUND</b>   | Impact on Fund | Positions |
|--|----------------|-----------|
| Reduce homework helper assistance which coincides with the "Reading Room" library conversions. | \$(34,843)     | (1.18)    |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - Other Funds

| <b>GENERAL SERVICES FUND (TECHNOLOGY SERVICES)</b>  | Impact on Fund | Positions |
|---|----------------|-----------|
| Add one System Technician II position to support PD's mobile communications devices and provide as needed support. Police is downgrading and transferring the position to Technology Services, which is recouping the full cost of the position by charging Police. |                | 1.00      |
| Reduce capital expenditures in the Wireless/Radio Communications and Technology Equipment Program.  | \$(300,000)    |           |
| Eliminate a Communication Specialist II position, Systems Technician II position, Business Services Specialist II position, Business Services Specialist IV position, and Office Services Assistant I position.   | (341,127)      | (5.00)    |
| Eliminate an Executive Assistant position (management).   | (91,611)       | (1.00)    |
| Reduce disaster recovery expenditures in the Data Center program.   | (40,000)       | -         |
| Reduce debt service expenditure in Technology Equipment Program.  | (129,000)      | -         |
| Reduce software maintenance cost in the Technology Equipment Program.   | (30,000)       | -         |
| Reduce training and travel in various programs.   | (26,367)       | -         |
| Reduce administration allocation expense in various programs.   | (95,244)       | -         |
| Reduce expense transfer of the debt service in Data Center Program.   | (21,000)       | -         |
| Increased revenue from fiber optic leases.  | (150,232)      | -         |
| Reduce voice & data network revenue.  | 150,232        | -         |
| Increase in franchise fee revenue.  | (300,000)      | -         |
| One-time expenditure transfer increase to the General Fund.   | 300,000        | -         |

| <b>HEALTH FUND (HEALTH &amp; HUMAN SERVICES)</b>   | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Accept the transfer of the cost for the Hazardous Waste and Water Testing Program from the General Fund. The Health Department is aggressively working to minimize costs for hazardous waste clean up for spills where no responsible party may be identified and works regularly with Fire inspection and the City Attorney's Office to ensure full cost recovery. Also, the voluntary water testing program was put into place several years ago on the request of the Marine Bureau and staff no longer recommends this testing. All required water quality tests will not be impacted. | \$203,529         | -         |
| Restructure Environmental Health programs to better utilize available resources - Eliminates four Environmental Health Specialist positions and a portion of a Hazardous Materials Specialist I position.  | (467,875)         | (4.60)    |
| Reduce Laboratory Services - Eliminate one Microbiologist III position, and one Laboratory Assistant III position conducting clinical and environmental laboratory tests. Reduction will require lab personnel to reprioritize laboratory resources.   | (167,022)         | (2.00)    |
| Restructure programs in the Nursing Services Division. Eliminates two Public Health Nurse, Community Worker, Outreach Worker, and Public Health Associate positions, and reduces to part-time a Health Educator position.  | (476,275)         | (5.21)    |
| Restructure Clinical Services to align with available resources. Eliminates a Health Educator, Public Health Associate, Case Manager, Outreach Worker, Public Health Nurse, and Medical Social Worker positions, as well reduced hours for a Medical Assistant.  | (428,755)         | (5.26)    |

| <b>HOUSING DEVELOPMENT FUNDS (DEVELOPMENT SERVICES)</b>  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate one Accountant III position from the Administrative and Financial Services Bureau as a part of department streamlining efforts. Along with the savings related to the eliminated position, is the matching offsetting negative expense.  | -                 | (0.16)    |
| Eliminate one Administrative Intern non-career position from Housing Development.  | \$(53,255)        | (1.00)    |
| Eliminate the Director of Community Development and an Executive Assistant position (both management), as well as an Accounting Technician position and a Payroll/Personnel Assistant position, as part of the FY 11 Government Reform initiative. | (14,850)          | (0.64)    |
| Eliminate a Housing Operations Officer position (management).  | (136,367)         | (1.00)    |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - Other Funds

| <b>INSURANCE FUND</b>  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Increase the training budget for worker's compensation coordination. (Human Resources)   | \$2,000           | -         |
| Increase general insurance charges in the Risk Management Bureau. (Human Resources)  | 9,071             | -         |
| Reallocate administrative overhead in the Department of Human Resources to the Workforce Development Bureau. (Human Resources) | 20,123            | (0.05)    |
| Eliminate a Clerk Typist II – NC position in the Employee Assistance Program. (Human Resources)                                | (25,639)          | (0.50)    |
| Reallocate a portion of administrative staff to non-General Fund resources. (City Attorney)                                    | 102,712           | 0.77      |
| Eliminate one take home vehicle. (City Attorney)   | (10,000)          | -         |
| Reduce overtime funding for Investigator position. (City Attorney)   | (17,508)          | -         |
| Eliminate Legal Office Assistant position. (City Attorney)   | (31,947)          | (0.50)    |
| Eliminate the discretionary 2% given by the City Attorney per the MOU. (City Attorney)   | (38,379)          | -         |

| <b>MARINA FUND</b>   | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Reduce Planning & Development Bureau budget by shifting portions of three positions to the Capital Projects Fund. (Parks, Recreation & Marine) | \$(85,806)        | (0.56)    |

| <b>PARK IMPACT FEES FUND</b>  | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Redirect staff charges to the Capital Projects Fund to eliminate the budget for Planning & Development Bureau. (Parks, Recreation & Marine) | \$(54,908)        | (0.29)    |

| <b>POLICE &amp; FIRE PUBLIC SAFETY OIL PRODUCTION TAX (PROP. H)</b>   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Prop H Staffing Realignment. Shift three Fire Captains from Prop H fund to General Fund and shift three Fire Engineers from General Fund to Prop. H fund. Prop. H will continue to support nine positions on a Truck (three Engineers and six Firefighters). (Fire) | \$(103,415)       | -         |
| Reallocate a portion of a Motor Officer position from Prop H to the General Fund. (Police)  | (65,375)          | (0.52)    |

| <b>RAINBOW HARBOR AREA FUND</b>   | Impact on Fund | Positions |
|---|----------------|-----------|
| Reduce Rainbow Harbor waterfront maintenance expenses. (Parks, Recreation & Marine) | \$(25,000)     | -         |

## REDEVELOPMENT FUND

The reductions below do not include those that will be required if redevelopment ends, or if the City "ops in." Rather, they are simply those that are necessary to keep the Redevelopment Fund balanced based on prior financial conditions. Please see Page 24 for more information.

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate an Accountant III position from the Administrative and Financial Services Bureau as a part of department streamlining efforts. Along with the savings related to the eliminated position, is the matching offsetting negative expense. (Development Services)   | -                 | (0.32)    |
| Eliminate a Real Estate Officer position Fund (management) funded by both the General Fund and the Redevelopment. (Public Works)  | \$(22,383)        | (0.15)    |
| Eliminate the Director of Community Development and an Executive Assistant position (management positions), as well as an Accounting Technician position and a Payroll/Personnel Assistant position. To reflect initial plans to keep these positions vacant in FY 12, the loaded rates were offset by a negative expense. The Development Services Department is now permanently eliminating these positions along with the related offset. (Development Services) | -                 | (1.28)    |



# Proposed Fiscal Year 2012 Budget for Community Review

## FY 12 - Other Funds

| <b>REDEVELOPMENT FUND (CONT.)</b>  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate a Clerk Typist III position and a Secretary position. (Development Services) | \$(123,784)       | (2.00)    |

| <b>REFUSE FUND (PUBLIC WORKS)</b>   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Extend the replacement cycle for bin and cart replacement and reduce budgeted expenditures.   | \$(99,218)        |           |
| Reduce SERRF disposal budget - due to the economic recession refuse volume has decreased significantly, resulting in reduced disposal expenses. | (350,000)         |           |

| <b>SERRF</b>  | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate a portion of an Accounting Technician position. (Gas & Oil) | \$(35,664)        | (0.50)    |

| <b>SPECIAL ADVERTISING &amp; PROMOTION FUND</b>   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Restore a portion of the Special Advertising and Promotion Fund's personal services allocation reallocated to the General Fund in FY 11 for the positions of City Manager, Assistant City Manager, Deputy City Manager, and Assistant to the City Manager. (City Manager) | \$132,070         | 0.59      |

| <b>TIDELANDS OIL REVENUE FUND</b>   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate the following positions: Accounting Clerk, Clerk Typists, Geologist Manager–Fault Blocks/Upland (management), Oil Field Gauger, Petroleum Engineer, and Senior Petroleum Engineering Associate I. (Gas & Oil) | \$(1,089,241)     | (10.75)   |

| <b>TIDELANDS OPERATING FUND</b>   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Add a Tideland Capital Projects Coordinator position for new Tideland projects. | \$137,032         | 1.00      |

| <b>TOWING FUND (PUBLIC WORKS)</b>   | Impact on Fund | Positions |
|---|----------------|-----------|
| Properly reallocate Heliport supervision.   | \$(27,507)     |           |
| Eliminate after hours standby pay for Fleet Service Supervisors at Towing.  | (8,964)        |           |
| Turn in two low-use tow trucks.   | (24,584)       |           |
| Properly allocate Fleet Services bureau overhead to Fleet and Towing Funds.   | (90,345)       |           |
| Convert from a weekly to bi-weekly lien sale and change start time for Lien Sale to reduce police security hours.   | (29,828)       |           |
| Utility reduction through more energy-efficient applications, and turn in City-issued devices.                      | (8,480)        |           |
| Reduce heavy duty towing contract expense by utilizing lowboy truck in Fleet.                                       | (12,000)       |           |
| Eliminate three General Services Assistant I positions and one Clerk Typist III position due to reduced tow volume. | (243,331)      | (4.00)    |

| <b>TRANSPORTATION FUND (PUBLIC WORKS)</b>   | Impact on Fund | Positions |
|---|----------------|-----------|
| Move a portion of a Clerk Typist and Landscape Maintenance Monitor positions budgeted in the Transportations Fund, funded by Prop A into General Fund. (Parks, Recreation & Marine) | \$(5,283)      | (0.40)    |
| Eliminate Maintenance Assistant II to offset salary/fringe benefit growth. (Public Works)   | (53,654)       | (1.00)    |



# Proposed Fiscal Year 2012 Budget for Community Review

## Proposed Changes To Other Funds for FY 13

**Chart 14** summarizes potential FY 13 reductions for each department. A description of each change to other (non-General Fund) funds for FY 13 is provided below. The amounts shown are projections and are subject to change.

| <b>Chart 14<br/>FY 13 Changes to Other Funds</b> |                   |                    |
|--|-------------------|--------------------|
| Funds  | Amount            | Positions Impacted |
| Capital Projects                                 | \$(26,662)        | (0.30)             |
| Health   | 13,380            |                    |
| Redevelopment                                    | (42,355)          | (0.50)             |
| Special Advertising & Promotion                  | 30,882            | 0.18               |
| Transportation                                   | (11,268)          | (0.20)             |
| <b>TOTAL</b>                                     | <b>(\$36,023)</b> | <b>(0.82)</b>      |

### CAPITAL PROJECTS FUND

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Eliminate a Traffic Engineer Associate I position. (Public Works) | \$(26,662)        | (0.30)    |

### HEALTH FUND (HEALTH & HUMAN SERVICES)

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Reduction in General Fund revenue transfer to the Health Fund for administrative costs. | 13,380            |           |

### REDEVELOPMENT FUND

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate a Real Estate Technician II position. (Development Services) | \$(42,355)        | (0.50)    |

### SPECIAL ADVERTISING & PROMOTION FUND

|   | Impact on Deficit | Positions |
|---|-------------------|-----------|
| Increase personal services allocation for the City Manager, Assistant City Manager, and Assistant to the City Manager. (City Manager) | \$30,882          | 0.18      |

### TRANSPORTATION FUND

|  | Impact on Deficit | Positions |
|--|-------------------|-----------|
| Eliminate a Clerk Typist II position. (Public Works) | \$(11,268)        | (0.20)    |

## Proposed Changes To Other Funds for FY 14

There are no changes proposed for FY 14 at this time.



# Proposed Fiscal Year 2012 Budget for Community Review

## Redevelopment

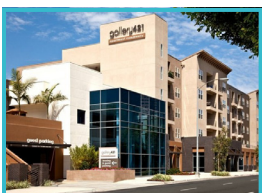
As part of the State's 2012 Budget, the Governor and State Legislature approved eliminating local redevelopment agencies, ending decades of incredible progress to revitalize our neighborhoods. This is very unfortunate as Long Beach's well-respected Redevelopment Agency (RDA) has been largely responsible for the revitalization of our downtown into a family-friendly tourist destination. The RDA has breathed new life into many of our most blighted communities by stimulating job creation and construction projects, building and rehabilitating housing for working families, enhancing community centers, parks, libraries, and public safety buildings, and lowering crime by purchasing and tearing down crime magnets.

To protect Long Beach's redevelopment commitments, earlier this year, the City Council and the RDA enacted and restated agreements for services between the City of Long Beach and the RDA to encumber current and future redevelopment tax increment proceeds through FY 21. RDA land was also transferred to the City to protect Long Beach from the requisite fire sale of all redevelopment property under the State's Budget. It remains to be seen if the City's actions will serve to protect Long Beach from the State's actions to end redevelopment.

The State budget bill relies on \$1.7 billion either by ending redevelopment, or requiring cities to pay enormous sums of money in an apparent violation of the State Constitution as recently amended by Proposition 22 in November 2010. In Long Beach's case, the payment to continue redevelopment would be \$34 million in the first year, and in excess of \$8 million each and every year thereafter. This would come on the heels of payments of \$6 million by the Agency last year and \$29 million the year before. Even if the RDA could somehow afford this payment, redevelopment as we know it would be forever changed.

The impacts of the State Budget will take time to discern. The California Redevelopment Association (CRA) and the League of California Cities have filed a lawsuit seeking to stop the elimination of redevelopment and forced payment. As currently written, agencies will end on October 1, 2011 and a State-appointed panel would likely assume the role of the "Successor Agency," an entity designed to wind down the agency and generate income for the local taxing entities. The City will continue to analyze whether, under these conditions, making the required payment is advisable and affordable.

The proposed dissolution of the Redevelopment Agency may substantially increase the General Fund deficit for FY 12. Although the final financial impact is still being evaluated, the estimated General Fund reduction could be in excess of \$6 million. Key services that have previously been supported by RDA, which will now require General Fund dollars, include graffiti abatement, neighborhood code enforcement, reimbursement for City Place debt service, Open Space Bond debt service, and overhead and support services. We will be communicating with our employees as we learn more, but there may be significant impacts to our employees throughout the organization as a result of the vote.







# Proposed Fiscal Year 2012 Budget for Community Review

## Government Reform Initiatives

The primary focus of the reforms proposed for FY 12 is to improve efficiency, enhance customer service, and where possible provide cost savings. While not all changes will provide direct cost savings, many will result in cost avoidance and allow future dollars to be spent much more efficiently. The proposed reforms are:

**Consolidate Residential and Commercial Plan Check and Inspection Services:** The current City project approval and inspection processes are fragmented, costly, and cumbersome. This consternates our residents and business partners and negatively impacts the City's ability to attract and maintain residential and commercial development. It is proposed that residential and commercial construction plan check and inspection services (i.e., building, health, fire), as well as code enforcement, be placed under the management of a single bureau to exact greater consistency, accountability, and coordination in these processes. This will also reduce the cost of permitting and the redundancy and inconsistency occurring during the permitting and inspection processes. Furthermore, as much as possible, inspectors should be cross-trained to enable them to inspect and approve a wider array of project attributes.

**Evaluate the Consolidation of Infrastructure Project Development and Management Under One Department:** Large-scale infrastructure projects are currently being developed and managed by Public Works, Development Services (RDA), and Parks, Recreation and Marine. Oftentimes, multiple departments are involved in a project, which causes the lines of responsibility and accountability to be blurred. This can lead to project delays and miscommunication. In light of the downsizing of the City organization over the past decade, it may be prudent to consolidate infrastructure project development and management under one department. Therefore, it is proposed that a review be undertaken to determine the potential for consolidation and/or to identify improvements to current practices.

**Consolidate All Parking Operations:** Several City departments, including Public Works, Parks, Recreation and Marine, and the Airport, currently manage parking operations. It is proposed that all parking operations be consolidated under one office/authority to ensure consistency in policy, to take advantage of new technology and best practices, and to optimize revenues.

**Consolidate Fire and Police Dispatch and Call Centers:** The consolidation of Fire and Police Dispatch and Call Centers has been the subject of discussion for many years. It is time to move forward. Recognizing that there are technological and organizational complexities associated with a consolidation, a task force comprised of the Deputy City Attorney and Police and Fire personnel will be asked to recommend an organizational structure that is both effective and efficient, and to develop an implementation plan with short- and long-term benchmarks. One of the short-term benchmarks will be to provide cross training between Fire and Police Dispatch Units to familiarize them with the objectives of their counter part. During critical events, this combined workforce can unite to resolve peak call volume and resource ordering requests.

**Identify Efficiencies in Civil Service and Human Resources Operations:** Although the November 2010 ballot measure to consolidate the Human Resources and Civil Service was not successful, there are still efficiencies to be found in Civil Service and Human Resources operations. These efficiencies may include: (1) improving systems and processes related to hiring and recordkeeping; (2) integrating technology for tracking applicants and employees; (3) eliminating duplication, increasing efficiency and reducing operating costs by utilizing staff appropriately; and (4) creating a unified mission, vision, values and processes for guiding all personnel practices in the City. It is proposed that Human Resources staff work with Civil Service staff and the Civil Service Commission to identify and implement efficiencies as appropriate.

**Transfer Animal Care Services to Parks, Recreation & Marine:** Currently, the Parks, Recreation, and Marine Department (PRM) partners with the Animal Care Services Bureau (ACS) on a number of operational, programmatic, and safety issues. Given the increasing direction of the Animal Care Services Bureau toward a humane organization that promotes responsible pet ownership, recreation, and training programs, it seems prudent to streamline the services by consolidating the Bureau under the direction of PRM. Even the current location of the PRM Administration and ACS in El Dorado Park lends itself to collaboration. Additionally, the following benefits are suggested: (1) streamlined planning and promotional process for delivery of low cost



## Proposed Fiscal Year 2012 Budget for Community Review

pet clinics, humane education, and adoption events in PRM community centers; (2) expanded recreational opportunities for pets and owners through further activation of parks, trails, and exercise areas; (3) better coordination of design, financing, construction, programming, and law enforcement of dog parks citywide; (4) better enforcement of common animal-related violations in parks; and coordination between parks safety and animal control officers; and (5) expanded relationships between Wildlife Watch programs in neighborhoods, parks, Tidelands, and El Dorado Nature Center.

**Evaluate the Human Resources Administrative Model:** In the smaller City Manager departments, it may be possible to adopt a more centralized and standardized model for human resources administration. In particular, it may be possible for these departments to share a Human Resources Officer (Administrative Officer in some departments). Not only would this provide cost savings to both departments, it would ensure that City policies and procedures (e.g., investigations, discipline, performance, sick leave usage) are being addressed in a consistent and efficient manner.

**Consolidate Temporary Worker (Including Non-Careers) Hiring Program Through Workforce Development:** It is proposed that all department requests for temporary employees, including City non-careers, be handled through a temporary employment agency within the Pacific Gateway Workforce Investment Network. This program can be integrated with existing grant-related workforce development efforts and provide an array of temporary workforce options (e.g., temporary clerks, accountants, administrative, maintenance, custodial or special project internships). Pacific Gateway's expertise lies in the ability to connect residents of the workforce to opportunities with regional business through outreach, pre-screening and vetting of trained workers; skills upgrading of those out-of-work; and matching to specifications of employers. This would also serve to keep better tabs on non-career hours, so they do not exceed 1,000 hours (requiring enrollment in PERS) or 1,600 hours total. This local hire approach already undertaken by Pacific Gateway has great potential to be used in conjunction with the City's temporary hiring needs. Coordinated management of these functions will increase customer service and streamline the hiring process for internal departments, including pre-screening for internal departments. This will also provide a one-stop shop for high school, college, and Long Beach residents seeking work. Cost savings are estimated at approximately 25 percent of current expenditures for temporary workers citywide. Savings could be higher if grant money is secured for related workforce development strategies that offset administrative costs.

**Evaluate the Potential to Privatize Employee Assistance Services:** As the size of the City workforce shrinks, it is necessary to make adjustments to those administrative operations that have traditionally supported the workforce. One such operation is the Employee Assistance Program (EAP), which provides counseling and referral services for employees and their families. There are a number of potential benefits to contracting with an outside pool of professionals for Employee Assistance. These include: (1) access to a larger pool of highly specialized professionals as needed; (2) paying only for the services needed or used; and (3) increased confidentiality and comfort of the employees utilizing these services. Accordingly, it is proposed that these services be evaluated for privatization.

**Transition of Rancho Los Cerritos to a Non-Profit/Foundation:** Long Beach is fortunate to have two historic ranchos that are treasured assets. A non-profit foundation has successfully managed Rancho Los Alamitos for many years, and there is interest on the part of the City and the Rancho Los Cerritos Foundation to create a similar operational structure for Rancho Los Cerritos. To that end, City staff will work with the Foundation to formalize a plan for the transfer of operational and maintenance responsibility. Ultimately, the City would provide a set annual contract amount to the Foundation as it does to the Rancho Los Alamitos Foundation.

**Work with Water Department to Convert Public Areas to Drought Tolerant Landscaping and/or to Improve Irrigation:** Over the past year, the Water Department has assisted the City to reduce its water usage through funding pilot landscaping projects. This proposal would request a formal Water Department commitment to reduce water usage in our City by establishing an ongoing fund to reduce water use through improvements to irrigation infrastructure, replacement of water intensive landscaping, and other ideas to save water. The City would benefit through lower water bills, and the Water Department and the public would benefit from increased water conservation.



# Proposed Fiscal Year 2012 Budget for Community Review

## Community Input Opportunities

Your input is a very important part of the budget process and your participation is highly encouraged. It is through your input that the City Council can judge the importance of various services to the community and make reductions where the impacts are least likely to be felt. Over the next few weeks, the City Council and City staff are conducting budget hearings at various times and locations throughout the community. These opportunities are identified below. You do not need to attend a hearing specific to your City Council district. You are invited to attend any hearing that best fits your schedule.

| TENTATIVE DATES & TIMES                    | SUBJECT   |
|--|---|
| Aug. 2–31<br>Budget Hearings               | <ul style="list-style-type: none"> <li>Budget Presentations (as requested)</li> <li>Public Input</li> <li>City Council Discussion and Recommendations</li> </ul>  |
| Aug. 8, 4:00–5:00 p.m.<br>Meeting          | <ul style="list-style-type: none"> <li>Budget Oversight Committee</li> </ul>  |
| Aug. 17, 4:00–5:00 p.m.<br>Meeting         | <ul style="list-style-type: none"> <li>Budget Oversight Committee</li> </ul>  |
| Aug. 24, 4:00–5:00 p.m.<br>Meeting         | <ul style="list-style-type: none"> <li>Budget Oversight Committee</li> </ul>  |
| Sept. 6, 3:30–5:00 p.m.<br>Budget Hearing  | <ul style="list-style-type: none"> <li>Budget Presentations (as requested)</li> <li>Public Input</li> <li>City Council Discussion and Recommendations</li> </ul>  |
| Sept. 6, 7:00–8:30 p.m.<br>Budget Hearing  | <ul style="list-style-type: none"> <li>Budget Presentations (as requested)</li> <li>Public Input</li> <li>City Council Discussion and Recommendations</li> </ul>  |
| Sept. 7, 4:00–5:00 p.m.<br>Meeting         | <ul style="list-style-type: none"> <li>Budget Oversight Committee</li> </ul>  |
| Sept. 13, 3:00–5:00 p.m.<br>Budget Hearing | <ul style="list-style-type: none"> <li>Budget Presentations (as requested)</li> <li>Public Input</li> <li>City Council Discussion and Recommendations</li> </ul>  |
| Sept. 13, 7:00–8:30 p.m.<br>Budget Hearing | <ul style="list-style-type: none"> <li>Budget Presentations (as requested)</li> <li>Public Input</li> <li>City Council Discussion and Recommendations</li> <li>Budget Adoption (by Sept. 15 per Charter)</li> </ul> |



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If you would like to learn more, the full budget document is available at [www.longbeach.gov/](http://www.longbeach.gov/). Questions and comments can also be emailed to [budget@longbeach.gov](mailto:budget@longbeach.gov).



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