



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-19

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6465 • Fax (562) 570-5836

February 19, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Approve the Fiscal Year 2019 first departmental and fund budget appropriation adjustments in accordance with existing City Council policy. (Citywide)

DISCUSSION

On September 4, 2018, the City Council adopted the Appropriations Ordinance governing the City's Adopted Budget for Fiscal Year 2019 (FY 19). Periodically, changes in revenue or operating conditions require mid-year appropriation adjustments. For example, in certain cases, these adjustments enable departments to expend recently awarded grant revenue for which there is no existing appropriation. In addition, changes for multi-year grants/projects are necessary to bring appropriations in line with final grant/project award amounts. In accordance with the City's practice, these adjustments are presented periodically throughout the year to the City Council for consideration. Please see Attachment A for a Summary of Proposed Adjustments of impacted City funds, Attachment B for a recap of FY 19 General Fund Expenditure Budget Adjustments and Attachment C for Citywide Healthcare Savings by Department and Fund.

This matter was reviewed by Deputy City Attorney Amy R. Webber on February 4, 2019.

TIMING CONSIDERATIONS

The following requests for adjustments to FY 19 departmental and fund appropriations are necessary to reflect changes in operating conditions. City Council action is requested on February 19, 2019, to enable the timely processing of budget adjustments.

FISCAL IMPACT

FY 19 Appropriation Adjustments

Airport

1. *Increase appropriations in the Airport Fund (EF 320) in the Airport Department (AP) by \$785,730 for replacement of historic terminal's heating, ventilation and air conditioning (HVAC) system, offset by funds available.*

The replacement of the HVAC system in the Airport's historic terminal includes the replacement of an air handling unit, condensing unit, and associated ductwork and piping. The new unit is much more efficient in terms of Seasonal Energy Efficiency Ratio (SEER) measurements and is equipped with state of the art electronic controls for optimized energy savings. The replacement will be performed under the City's Job Order Contract (JOC) and is estimated to be completed early in calendar year 2019. The new system will have a positive impact to employees, tenants and travelers, especially during the cold winter months or the hot summer season, and is another step towards a greener Airport. The cost of the replacement, including construction, inspection and project oversight, is estimated at \$785,730 and funded by funds available. The total estimate includes the cost for construction in the amount of \$498,103 plus \$287,627 for inspection, permitting, construction management, and other overhead costs related to project oversight.

City Manager

- 2. Increase appropriations in the General Fund (GF) in the City Manager Department (CM) by \$25,000 for upgrades to electrical ballasts (for LED lighting) at four City facilities, offset by a transfer from the General Grants Fund (SR 120) in the Development Services Department (DV).*

To reduce energy costs and greenhouse gas emissions within the City, the Office of Sustainability will participate in Southern California Edison's (SCE) Direct Install Program and receive funding to support lighting upgrades at four City facilities: the Senior Center, North Division Police Station, Burnett Neighborhood Library, and the Bay Shore Library. The labor and installation of the special LED lights is funded through the Direct Install Program. The ballasts are necessary for the lighting upgrades and are estimated at \$25,000, and will be offset by a transfer from the General Grants Fund (SR 120) in the Development Services Department from revenue received from SCE. The lighting retrofits are estimated to save over \$27,000 and 180,000 kWh annually. The project will demonstrate the City's commitment to climate action and energy efficiency.

- 3. Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the City Manager Department (CM) by \$80,000 for preliminary work in developing a Citywide Communications Plan, offset by funds available.*

As a communications leader among government agencies in public information, the City strives to remain at the forefront of emerging trends and innovative communications strategies. The development of a Neighborhood Engagement and Community Communications Plan (Plan) is a major multi-departmental effort involving a variety of internal and external stakeholders. The development of a Plan involves extensive research and analysis by City communications staff in cooperation with other City departments and community members. An appropriation increase is requested to retain consulting services to conduct research on our community's perception of, and desires for, communications from the City.

- 4. Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the City Manager Department (CM) by \$25,000 to conduct visioning, supported by community outreach, for an African American Cultural Arts Center, offset by funds available.*

To ensure the visioning process for the African American Cultural Arts Center is inclusive of all stakeholders in Long Beach, the City Manager's Department is engaging two consultants, each costing \$25,000, to focus on community engagement and cultural planning, respectively. The community engagement consultant will conduct a robust community outreach strategy, involving marketing and facilitating community meetings, conducting stakeholder interviews, soliciting input through other mediums, and synthesizing findings into a comprehensive report. The strategy will also function to promote a future African American Cultural Arts Center and increase visibility and access to the visioning process. An additional \$25,000 for the project will be funded by FY 18 year-end surplus in the General Fund (GF) as approved during the adoption of the FY 19 Budget as part of contingent funding. The the cultural planning consultant will provide education on the requirements to construct, maintain, and program an African American Cultural Arts Center, and will facilitate the development of an operating vision with the Community Advisory Committee.

Civil Service

- 5. Increase appropriations in the Employee Benefits Fund (IS 391) in the Civil Service Department (CS) by \$200,000 for consulting services to evaluate and improve Civil Service testing processes, offset by funds available.*

The City Manager Department is working with the Civil Service Department to acquire one-time consultation services to evaluate and improve the Civil Service testing process for an estimated cost of \$200,000. The Civil Service Department will conduct a comprehensive review of the employment testing system to enhance the candidate/applicant experience, improve cycle-time for hiring, streamline processes, increase the quality of the candidate pools/eligible lists, and to advance equity and diversity within the City. The Civil Service Department is interested in transitioning, where appropriate, to a broad-based online employment testing system to improve efficiency and anticipates this transition will also result in reduced costs and verifiably improved metrics for the reliability and validity of its selection processes.

Development Services

- 6. Increase appropriations in the Community Development Grants Fund (SR 150) in the Development Services Department (DV) by \$29,000 to support the 2019 Neighborhood Leadership Program, offset by grant revenue.*

The Neighborhood Leadership Program (NLP) is a nationally recognized program to train residents working to improve their neighborhoods. The Port of Long Beach and the Andeavor Foundation have pledged \$4,000 and \$25,000, respectively, to the NLP in support of the NLP Class of 2019. These funds will help 30 participants develop grassroots leadership and organizing skills, teach participants how to leverage resources to improve quality of life in their neighborhoods, and help fund four class project events.

- 7. Increase appropriations in the Development Services Fund (EF 337) in the Development Services Department (DV) by \$50,000 to fund a FUSE Fellow, mobilizing local efforts to maximize participation in the U.S. Census 2020, offset by funds available.*

On August 7, 2018, the City Council authorized the City Manager to enter into an agreement with FUSE Corps to participate in the FUSE Corps Fellowship Program. The City Manager proposed four new FUSE Fellow projects for FY 19. The Development Services Department is contributing \$50,000, offset by funds available, to fund one of the four projects: mobilizing local efforts to maximize participation in the U.S. Census 2020.

Disaster Preparedness and Emergency Communications

8. *Increase appropriations in the General Grants Fund (SR 120) in the Health and Human Services Department (HE) by \$69,847 for heavy equipment, offset by a reallocation of Homeland Security grant funding.*

Increase appropriations in the General Grants Fund (SR 120) in the Parks, Recreation and Marine Department (PR) by \$29,000 for emergency equipment, offset by a reallocation of Homeland Security grant funding.

Increase appropriations in the General Grants Fund (SR 120) in the Disaster Preparedness and Emergency Communications Department (DC) by \$17,367 to partially offset other departments' grant expenditures.

Decrease appropriations in the General Grants Fund (SR 120) in the Fire Department (FD) by \$35,814 to partially offset other departments' grant expenditures.

Decrease appropriations in the General Grants Fund (SR 120) in the Police Department (PD) by \$80,400 to partially offset other departments' grant expenditures.

On April 4, 2017, the City Council approved the City's Federal 2016 Urban Area Security Initiative (UASI 2016) grant award for \$6,216,170. Current reallocation of funds due to cost savings to grant-eligible programs and equipment is being requested to support grant-eligible expenditures made by participating departments within the grant performance period of January 31, 2019. These additional funds authorize the Health and Human Services Department to purchase a forklift, Chevy Volt vehicle, and autoclaves. Additionally, these funds authorize the Parks, Recreation and Marine Department to purchase emergency equipment. Appropriation adjustments are requested for the Health and Human Services, Parks, Recreation and Marine, Fire, Disaster Preparedness and Emergency Communications and Police Departments to offset eligible expenditures within the grant performance period.

9. *Increase appropriations in the General Grants Fund (SR 120) in the Disaster Preparedness and Emergency Communications Department (DC) by \$96,667 for equipment and training, offset by grant revenue.*

On July 10, 2018, the City Council approved the City's Federal 2017 Urban Area Security Initiative (UASI 2017) grant award for \$825,000. Subsequently, additional funds in the amount of \$96,667 have been made available to the Disaster Preparedness and Emergency Communications Department for equipment and planning from the region for grant-eligible programs and equipment, for a total award of \$921,667.

Energy Resources

- 10. Increase appropriations in the Gas Fund (EF 301) in the Energy Resources Department (ER) by \$3,000,000 for approved AB 32 projects, offset by funds available.*

Annually, the Energy Resources Department budgets AB 32 (Cap and Trade Program) funds for eligible projects. As part of the FY 19 Adopted Budget, AB 32 funds were budgeted in the Capital Projects Fund for eligible energy-efficiency renovations at the North Health Facility. An appropriation increase is needed to transfer AB 32 funds from the Gas Fund, where the funds are generated, to the Capital Projects Fund for the approved project.

Health and Human Services

- 11. Increase appropriations in the Health Fund (SR 130) in the Health and Human Services Department (HE) by \$213,000 for the purchase of prescription medication at a reduced cost through participation in the 340B program, offset by reimbursement revenue from patients' insurance or Pharmacy Benefits Manager.*

On September 4, 2018, the City Council authorized the City Manager to execute an agreement with Wellpartner, LLC, to serve as an Administrator of a 340B Pharmacy Program on behalf of the Health and Human Services Department, to provide reduced pricing for eligible prescription drugs, for the period of October 1, 2018 through September 30, 2020. The City's annual cost is estimated at \$213,000 for prescription medications at the reduced 340B cost, offset by an estimated \$388,000 in annual gross revenue generated by the reimbursement of drugs at the full market price of the drug by the patients' insurance or Pharmacy Benefits Manager.

- 12. Increase appropriation in the Health Fund (SR 130) in the Health and Human Services Department (HE) by \$85,000 for oversight of cannabis business Community Reinvestment Plans, offset by a transfer from the Fire Department (FD).*

On July 10, 2018, the City Council adopted the Cannabis Social Equity Program (Equity Program). The goal of the Equity Program is to support equal opportunity in the cannabis industry. As part of the Equity Program, adult-use cannabis businesses will be required to submit a Community Reinvestment Plan (Plan) to the City, describing how they intend to support adjacent neighborhoods and communities within eligible social equity program census tracts. The Plans will be reviewed and monitored by the Equity Office in the Health and Human Services Department (HE). Ongoing costs related to the review of the Plans in the Equity Program will be offset by fee revenues charged to adult-use cannabis businesses, collected in the Financial Management Department (FM). However, there is currently a shortfall in fee revenues due to the slow pace of adult-use cannabis business openings. As a result, to fund the review of Plans in FY 19, a one-time transfer of \$85,000 from the General Fund in the Fire Department (FD) will be made to HE. FD currently has salary savings from a vacant position related to the cannabis regulatory program. FD will not be filling this vacancy in FY 19 and is able to transfer the appropriation to help fund the Plan review.

- 13. Increase appropriations in the General Fund (GF) in the Health and Human Services Department (HE) by \$200,000 for development of the Youth Strategic Plan, offset by appropriation from the City Manager Department (CM).*

Decrease appropriations in the General Fund (GF) in the City Manager Department (CM) by \$200,000, to appropriate one-time funds in the Health and Human Services Department (HE).

As part of the FY 19 Adopted Budget, \$200,000 in one-time funds was allocated to fund a Youth and Children Strategic Plan, and the City Manager has designated the Health and Human Services Department (Health) to coordinate the effort. To enhance community initiatives for youth, Health will hire a consultant to conduct a youth development strategic planning process that is inclusive of all youth across the City. The planning process will involve the Commission on Youth and Families, Invest in Youth Coalition, other relevant community organizations, Health, the Parks, Recreation and Marine Department, and any other department identified by the City Manager. If there are funds remaining after the strategic planning process, those funds will be applied towards the implementation of the plan.

Legislative Department

14. *Increase appropriations in the General Fund (GF) in the Citywide Activities Department (XC) by \$286,791, offset by various City Council District Offices' FY 18 year-end savings as listed below.*

City Council District	Budget Surplus
District 1	\$ 6,777
District 2	\$ 3,920
District 3	\$ 5,191
District 4	\$ 222,521
District 5	\$ 5,657
District 6	\$ 10,867
District 7	\$ 35,735
District 8	\$ 1,313
FY 2018 Budget Surplus Carryover	\$ 291,982
District 3 funds for community meetings, events and public outreach efforts (<i>approved on 12/04/2018</i>).	\$ 5,191
Amount to be Appropriated	\$ 286,791

Individual City Council District Office budget surpluses are allocated in the following fiscal year to supplement each respective Council Office's District Priority funding (also known as Divide-by-Nine funding) for infrastructure projects and existing City programs. Budget adjustments are necessary to appropriate the FY 18 Council District office budget surpluses to supplement FY 19 District Priority funding in the Citywide Activities Department. The Third Council District had an office budget surplus of \$5,191. On December 4, 2018, the City Council approved \$5,191 of the Third Council District's FY 18 office budget surplus to be allocated to support community meetings, events, and public outreach efforts.

15. *Decrease appropriations in the General Fund (GF) in the Legislative Department (LD) by \$16,583 to offset the Ninth Council District's overage in FY 18.*

At the end of FY 18, the Ninth Council District exceeded its operating budget by \$16,583, which will be offset in the following fiscal year's operating budget. A budget adjustment will reduce the Ninth Council District's FY 19 budget by the overage amount of \$16,583. No other Council District's carryover will be impacted.

Library

16. *Increase appropriations in the General Grants Fund (SR 120) in the Library Services Department (LS) by \$718,075 for literacy programming, Mobile Studio program support and book purchases, offset by grant revenue.*

The Long Beach Public Library (LBPL) has received revenues totaling \$183,075 from the Long Beach Public Library Foundation for the following items: \$48,075 for literacy programming and \$135,000 for Mobile Studio program support. In addition, the LBPL has received \$535,000 from JetBlue in lieu of fines for noise violations, which supplement the library's book purchases.

Parks, Recreation and Marine

17. *Increase appropriations in the Capital Projects Fund (CP) in the Parks, Recreation and Marine Department (PR) by \$2,264,000 for citywide irrigation projects, offset by appropriation from the Public Works Department (PW).*

Decrease appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$2,264,000, to appropriate the project funds to the Parks, Recreation and Marine Department (PR).

The Parks, Recreation and Marine Department (PR) is requesting an appropriation increase in the amount of \$2,264,000 in the Capital Projects Fund (CP) for citywide irrigation projects. Project implementation, project management, and construction inspections for citywide park irrigation projects has been moved from the Public Works Department (PW) to PR. Funding for these projects include various sources such as Measure A, Los Angeles County Regional Park and Open Space District Excess Funds Grant Program, General Fund one-time allocation, and a rebate program. These projects will replace decades-old, antiquated irrigation controllers with a new centrally-managed system throughout park locations in Long Beach. These projects will automate watering controls, which will enhance staff and water efficiency and help ensure the health of park landscape and trees to support green space, habitat and safe playing fields for the Long Beach community.

18. *Increase appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$48,823 for programing activities, offset by a transfer of District Priority Funds from the Capital Projects Fund (CP) in the Public Works Department (PW) as listed below.*

City Council District	Parks Programming
District 1	\$ 23,906
District 2	\$ 7,079
District 3	\$ 1,375
District 6	\$ 12,885
District 7	\$ 1,395
District 8	\$ 2,183
FY 2018 Parks Programming Surplus	\$ 48,823

Various City Council Districts have allocated one-time District Priority Funds for the Parks, Recreation, and Marine Department programming activities. This is a technical clean-up to move the appropriation to the department that will be managing the activities. The appropriation increase in the General Fund in the Parks, Recreation and Marine Department is offset by a transfer of one-time District Priority Funds from the Capital Projects Fund in the Public Works Department.

Police

- Increase appropriations in the Tidelands Operations Fund (TF 401) in the Police Department (PD) by \$25,000 for police overtime in the East Division, offset by funds available.*

Decrease appropriations in the Marina Fund (TF 403) in the Police Department (PD) by \$25,000, to transfer the appropriation to the Tidelands Operations Fund.

As part of the FY 19 Adopted Budget process, the City Council approved the use of \$25,000 in Tidelands Operations Fund (TF 401) to fund overtime in all Tidelands areas. This request is a technical correction to allocate the budget in the proper fund.

- Increase appropriations in the General Fund (GF) in the Police Department (PD) by \$31,528 for K-9 related purchases, offset by a transfer from the Insurance Fund (IS 390) in the Human Resources Department (HR).*

Increase appropriations in the Insurance Fund (IS 390) in the Human Resources Department (HR) by \$31,528 for the transfer to the Police Department (PD), offset by insurance claims revenue in funds available.

The City received insurance payments in the amount of \$31,528 related to the death of Credo, a Police Department canine who was killed in the line of duty. The funds were deposited into the Insurance Fund in FY 18. The Police Department is requesting use of these funds in FY 19 for K-9 related purchases.

- Increase appropriations in the General Fund (GF) in the Police Department (PD) by \$3,400,000, to fund one of the two police academies to be conducted in this fiscal year, offset by funds set aside in FY 18 for this purpose.*

The Police Department will be conducting two police academies in FY 19 from planned savings in FY 18. Funds were set aside at year-end and the Police Department is now requesting the appropriation to continue conducting the academies.

Public Works

22. *Increase appropriations in the General Fund (GF) in the Public Works Department (PW) by \$73,984 for tree trimming, offset by a transfer from the Capital Projects Fund (CP).*

The Seventh Council District provided one-time District Priority Funds for tree trimming in the public right-of-way. This is a technical clean-up to move the appropriation to the correct fund.

23. *Increase appropriations in the General Fund (GF) in the Public Works Department (PW) by \$1,162,309, offset by a transfer from the Parks, Recreation and Marine Department (PR);*

Decrease in appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$1,162,309, to offset a transfer to the Public Works Department (PW);

Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$39,925, offset by a transfer from the Parks, Recreation and Marine Department (PR).

Decrease appropriations in the Tidelands Operations Fund (TF 401) in the Parks, Recreation and Marine Department (PR) by \$39,925, to offset a transfer to the Public Works Department (PW).

Increase appropriations in the Tidelands Area Funds (TF) in the Public Works Department (PW) by \$79,717, offset by a transfer from the Parks, Recreation and Marine Department (PR).

Decrease appropriations in the Tidelands Area Funds (TF) in the Parks, Recreation and Marine Department (PR) by \$79,717, to offset a transfer to the Public Works Department (PW).

As part of the FY 19 Adopted Budget, the City Council directed the Public Works (PW) and Parks, Recreation and Marine (PR) Departments to work together to transfer all street median responsibilities, including MTA Blue Line, parking lots, and marina contract areas, from PR to PW. After this transfer, PW will be responsible for maintaining all street medians within Long Beach. The total amount being transferred to PW is \$1.28 million, including \$1,162,309 in the General Fund, \$39,925 in the Tidelands Operations Fund, and \$79,717 in the Tidelands Area Funds. These funds are for utilities and contractual maintenance costs, and do not include any budgeted positions. FTEs in PR that managed these operations are part of managing other overall operations and are not available for transfer to PW. The 24 FTEs that were transferred to PR in FY 04 have been eliminated in previous budget reductions. It is expected that PW will need additional FTEs to manage the work and will likely be requested as part of the FY 20 Budget development process.

24. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$500,000 for citywide wayfinding signage, offset by a transfer from the City Manager Department (CM).*

The implementation of citywide signage and wayfinding, per the adopted Signage Master Plan, will include gateway locations, monuments, directional wayfinding, pedestrian wayfinding, and coastal access wayfinding. As part of the FY 19 Adopted Budget, \$500,000 in one-time funds were approved for wayfinding signage in the Special Advertising and Promotions Fund in the City Manager Department. These funds will be transferred to the Public Works Department for the implementation of the wayfinding and signage project.

25. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$123,000 to fully fund needed repairs to the rooftop tower at Fire Station 7, offset by a transfer from the Fire Department (FD).*

The rooftop tower at Fire Station 7, at 2295 23rd Street, is in need of repairs as a result of deterioration consistent with time, use, and conditions. Inspections and evaluations of the tower by Fire and Public Works Departments staff estimated the cost to replace existing siding, repair window trims, and repair of the tower dome to be \$123,000, which will be offset by a transfer from the General Fund in the Fire Department from salary savings.

26. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Departments (PW) by \$150,000 for sidewalk and street resurfacing improvements to the Carson Street Corridor, offset by a transfer from the General Fund (GF) in the Economic Development Department (ED).*

The Public Works Department (PW) has performed street improvements to Norse Way between Lakewood Boulevard and Carson Street. These improvements include, but are not limited to, cold milling and resurfacing asphalt, root pruning, curb and gutter, cross gutter, and concrete sidewalk repairs. These improvements are funded by a transfer of FY 18 one-time funds in the General Fund in the Economic Development Department to PW.

27. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$1,920,197 for the Santa Fe Avenue Synchronization Enhancement Project, offset by a grant award from the Los Angeles County Metropolitan Transportation Authority.*

On January 8, 2013, the City Council authorized grant applications to the Los Angeles County Metropolitan Transportation Authority (LA Metro). The City Council also authorized the City Manager to execute all documents to accept and expend the grant funds. On December 5, 2018, the City Attorney's Office executed a funding agreement with LA Metro for the Santa Fe Avenue Synchronization Enhancement Project, that will make various upgrades and improvements to traffic signals, signal controllers and other equipment along the Santa Fe corridor, in the amount of \$1,920,197. The total project cost is estimated at \$3,324,797, which includes a local match of \$1,280,131 and additional project administrative costs of \$124,469. The match funds and administrative costs are currently budgeted in the Public Works Department (PW) in the Capital Projects Fund (CP) in the amount of \$257,000, Gas Tax Street

Improvement Fund (SR 181) in the amount of \$922,600, and Transportation Fund (SR 182) in the amount of \$225,000.

28. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$100,000 for the Deforest Park Wetlands Project, offset by grant funding from the LA County Regional Park and Open Space District Funding.*

Decrease appropriations in the Capital Projects Fund (CP) in the Parks, Recreation and Marine Department (PR) by \$100,000, to offset a transfer to the Public Works Department (PW).

Increase appropriations in the Capital Projects Fund (CP) in the Parks, Recreation and Marine Department (PR) by \$26,249, offset by a decrease in appropriation in the Public Works Department.

Decrease appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$26,249, to offset a transfer to the Parks, Recreation and Marine Department (PR).

On May 3, 2011, the City Council authorized funding from the Los Angeles County Regional Park and Open Space District for the Sleepy Hollow Greenbelt Project (Project) in the amount of \$100,000. The Project was cancelled because the City was unable to obtain approval from adjacent landowners to construct the project. Upon the cancellation of the Project, design and planning expenditures totaling \$26,249 were deemed no longer eligible for grant reimbursement. On November 28, 2018, the Los Angeles County Regional Park and Open Space District agreed to defund the Project grant and amend the Deforest Wetlands Development Project Grant by \$100,000. The Public Works Department (PW) and Parks, Recreation and Marine Department (PR) have agreed to exchange funding to cover the expenses incurred by PR for the Project and to complete the budget for the Deforest Park project, which is to be managed by PW.

29. *Increase appropriations in the Civic Center Fund (IS 380) in the Public Works Department (PW) by \$500,000 for design and construction of a Civic Center Public Safety Memorial, offset by a transfer from the Special Advertising and Promotion Fund (SR 133) in the City Manager Department (CM).*

Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the City Manager Department (CM) by \$500,000 to transfer to the Civic Center Fund (IS 380), offset by funds available.

To appropriately commemorate and memorialize our City's public safety personnel who have lost their lives while serving in the line of duty, the City Manager Department is proposing the installation of an artistic Public Safety Memorial on the campus of the new Civic Center. Associated costs will go towards the design and construction of the memorial, which will be prominently featured in the new Civic Center as both a solemn memorial and an artistic addition to the campus. An appropriation increase in the Civic Center Fund in the Public Works Department is necessary for the design and construction of the memorial and will be offset by a transfer from the Special Advertising and Promotion Fund in the City Manager Department.

30. *Increase appropriations in the Belmont Shore Parking Meter Fund (SR 136) in the Public Works Department (PW) by \$761,324, offset by a decrease of appropriation in the Economic Development Department.*

Decrease appropriations in the Belmont Shore Parking Meter Fund (SR 136) in the Economic Development Department (ED) by \$761,324.

Beginning in FY 19, the Public Works Department (PW) will resume oversight of the Belmont Shore Parking Meters Fund, which is currently budgeted in the Economic Development Department (ED). Appropriation adjustments are necessary to move funds from ED to PW.

31. *Increase appropriations in the Civic Center Fund (IS 380) in the Public Works Department (PW) by \$363,484, offset by a transfer from the General Fund (GF) in the Library Services Department (LS).*

Increase appropriations in the General Fund (GF) in the Library Services Department (LS) by \$363,484 for a transfer to the Civic Center Fund, offset by FY 18 savings set aside for this purpose.

During the new Civic Center design-build period, the new Main Library had some design requirement changes. The Library Services Department has requested additional design modifications such as new furniture, equipment, mechanical upgrades, and signage throughout the building. The requests for these additional design requirements were anticipated to be funded with FY 18 departmental savings, which were set aside for this purpose and will offset the transfer from the General Fund in the Library Services Department to the Civic Center Fund in the Public Works Department.

32. *Increase appropriations in the Civic Center Fund (IS 380) in the Public Works Department (PW) by \$17,595,000, offset by reimbursement revenue to be received by fiscal year end.*

Prior to moving into the new Civic Center, an appropriation increase is requested to prepay the remaining capital lease of the existing City Hall in the amount of \$17,595,000. The lease terminates on the existing City Hall once the move is completed. Paying off the lease in April provides a previously anticipated budgetary savings of \$189,146 in the Civic Center Fund. Per the Civic Center Project Agreement, the Project Company will reimburse the City for the \$17,595,000 prepayment by September 26, 2019.

FY 19 Citywide Healthcare Savings

On September 4, 2018, the City Council adopted the FY 19 Budget, which included a placeholder of \$630,000 for anticipated General Fund savings due to reduced healthcare costs. As described in the September 11, 2018 City Council letter on healthcare contracts, there will be healthcare savings in FY 19. The FY 19 Adopted Budget included higher healthcare costs in all departments' budgets. To accurately reflect departments' budgets and to remove the General Fund savings placeholder, the appropriation changes in Attachment C are required. The net reduction to departments' budgets (excluding Citywide Activities Department) is \$1,065,419.

- 33. Decrease appropriations by \$435,419 in the relevant departments and funds, as shown on Attachment C, to implement FY 19 healthcare savings, a portion of which was a negative amount previously appropriated in the Citywide Activities Department (XC).*

Contingent Appropriations Using One-time Funds from Proceeds from the Sale of the Broadway Block Site

The following contingent appropriation adjustment implements the recommended uses of the one-time funds from proceeds from the sale of the Broadway Block Site. The proposed budget adjustment is contingent upon the confirmation of sufficient proceeds from the sale of the Broadway Block Site.

The City will contribute \$1,000,000 to the support development of a Downtown campus for California State University of Long Beach (CSULB), through the CSULB Foundation, focused on continuing education and workforce development. With this support, CSULB Foundation will commit to signing a 10-year lease with "The Streets," to develop 16 classrooms of 25 seats each (400 total); and, will run all College of Professional and International Education (CPIE) classes and other overflow classes out of this new Downtown campus. CSULB will staff, program, secure, and maintain the Downtown campus through their own funding. Additionally, Workforce Development Bureau will partner with the campus to leverage resources to the benefit of Long Beach employees and employers. The Economic Development Department will be returning to the City Council for authorization of this agreement in March.

- 34. Increase appropriations in the General Fund (GF) in the Economic Development Department (ED) by \$1,000,000 to support development of a Downtown campus for CSULB, through the CSULB Foundation, focused on continuing education and workforce development, offset by proceeds from the sale of the Broadway Block Site.*

FY 18 One-Time Funds to be Reappropriated

For projects with start dates between FY 14 and FY 18, the City Council authorized the allocation of one-time funds for specific department projects or operations. The following appropriations are needed to carryover the funds to FY 19 to complete these projects or activities. These unspent one-time funds were reserved at the end of FY 18 for this purpose and the reserves will be released with the appropriation.

- 35. Increase appropriations in the General Fund (GF) in the City Manager Department (CM) by \$5,000 for the Veterans Parade and Festival, offset by unspent one-time funds.*
- 36. Increase appropriations in the General Fund (GF) in the City Manager Department (CM) by \$50,000 for the Arts Initiative in the Seventh Council District, offset by unspent Seventh District Priority Funds.*
- 37. Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the City Manager Department (CM) by \$50,000 for the last payment for the Museum of Art appraisal, offset by unspent one-time funds.*

38. *Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the City Manager Department (CM) by \$100,000 for the Percent for the Arts nexus study, offset by unspent one-time funds.*
39. *Increase appropriations in the Special Advertising and Promotion Fund (SR 133) in the City Manager Department (CM) by \$233,821 for security costs for various community events, offset by unspent one-time funds.*
40. *Increase appropriations in the General Fund (GF) in the City Prosecutor Department (CP) by \$2,934 for a Neighborhood Impact Prosecutor, offset by unspent Third District Priority Funds.*
41. *Increase appropriations in the General Fund (GF) in the City Prosecutor Department (CP) by \$18,000 for a Neighborhood Impact Prosecutor, offset by unspent Fourth District Priority Funds.*
42. *Increase appropriations in the General Fund (GF) in the Development Services Department (DV) by \$3,500 for Neighborhood Partners Program Grant Match Funds, offset by unspent Second District Priority Funds.*
43. *Increase appropriations in the General Fund (GF) in the Development Services Department (DV) by \$1,154 for Neighborhood Partners Program Grant Match Funds, offset by unspent Fourth District Priorities Funding.*
44. *Increase appropriations in the General Fund (GF) in the Development Services Department (DV) by \$30,000 for business façade improvements, offset by unspent Sixth District Priority Funds.*
45. *Increase appropriations in the General Fund (GF) in the Development Services Department (DV) by \$15,909 for work related to the Feasibility Study for Community Hospital, offset by unspent Fourth District Priority Funds.*
46. *Increase appropriations in the Development Services Fund (EF 337) in the Development Services Department (DV) by \$19,110 for Phase II of the Electronic Plan Check Project, offset by unspent one-time funds.*
47. *Increase appropriations in the Development Services Fund (EF 337) in the Development Services Department (DV) by \$400,000 for on-call consultants to complete the environmental review and finalize the Land Use and Urban Design Elements of the General Plan, offset by unspent one-time funds.*
48. *Increase appropriations in the Development Services Fund (EF 337) in the Development Services Department (DV) by \$668,522 for technology improvements for the Development Services Permit Center, offset by unspent one-time funds.*
49. *Increase appropriations in the Development Services Fund (EF 337) in the Development Services Department (DV) by \$13,880 for the Short-Term Rental ordinance preparation, offset by unspent one-time funds.*

50. *Increase appropriations in the General Fund (GF) in the Economic Development Department (ED) by \$45,000 for the Pacific Avenue Property and Business Improvement District (PBID), offset by unspent Sixth District Priority Funds.*
51. *Increase appropriations in the General Fund (GF) in the Economic Development Department (ED) by \$55,000 for the Summer Youth Employment Program, offset by unspent one-time funds.*
52. *Increase appropriations in the General Fund (GF) in the Economic Development Department (ED) by \$150,000 for the Anaheim Street Business Improvement District (BID), offset by unspent one-time funds.*
53. *Increase appropriations in the General Fund (GF) in the Economic Development Department (ED) by \$150,000 for the Pacific Avenue Business Improvement District (BID), offset by unspent one-time funds.*
54. *Increase appropriations in the General Fund (GF) in the Financial Management Department (FM) by \$74,106 for the Small Business Incentive program, offset by unspent one-time funds.*
55. *Increase appropriations in the General Fund (GF) in the Financial Management Department (FM) by \$595,000 for wage theft education programs, offset by unspent one-time funds.*
56. *Increase appropriations in the Fleet Services Fund (IS 386) in the Financial Management Department (FM) by \$85,671 for Fleet M5 Management Information System updates, offset by unspent one-time funds.*
57. *Increase appropriations in the Fleet Services Fund (IS 386) in the Financial Management Department (FM) by \$262,742 for fueling system upgrades, offset by unspent one-time funds.*
58. *Increase appropriations in the Fleet Services Fund (IS 386) in the Financial Management Department (FM) by \$72,449 for remediation of former underground storage tank site at Fleet, offset by unspent one-time funds.*
59. *Increase appropriations in the General Fund (GF) in the Health and Human Services Department (HE) by \$64,203 for the Cannabis Public Health and Safety Education Program, offset by unspent one-time funds.*
60. *Increase appropriations in the General Fund (GF) in the Health and Human Services Department (HE) by \$68,392 for temporary staff in the Office of Aging, offset by unspent one-time funds.*
61. *Increase appropriations in the General Fund (GF) in the Health and Human Services Department (HE) by \$83,310 for leveraging the Sexually Transmitted Disease program grants, offset by unspent one-time funds.*

62. *Increase appropriations in the General Fund (GF) in the Health and Human Services Department (HE) by \$62,078 for the My Brother's Keeper program, offset by unspent one-time funds.*
63. *Increase appropriations in the General Fund (GF) in the Health and Human Services Department (HE) by \$8,170 for Homeless Services Advisory Committee (HSAC) program funding for Urban Community Outreach for relocation assistance, offset by unspent one-time funds.*
64. *Increase appropriations in the Health Fund (SR 130) in the Health and Human Services Department (HE) by \$104,469 for repairs to the Main Health Facility, offset by unspent one-time funds.*
65. *Increase appropriations in the General Fund (GF) in the Legislative Department (LD) by \$2,143 for community events and sponsorship, offset by unspent First District Priority Funds.*
66. *Increase appropriations in the General Fund (GF) in the Legislative Department (LD) by \$10,000 for the Cambodia Town Festival, offset by unspent Sixth District Priority Funds.*
67. *Increase appropriations in the General Fund (GF) in the Legislative Department (LD) by \$685 for the community events and concert sponsorships, offset by unspent Eighth District Priority Funds.*
68. *Increase appropriations in the General Fund (GF) in the Legislative Department (LD) by \$214 for the Banner and Creative Corridor Challenge programs, offset by unspent Ninth District Priority Funds.*
69. *Increase appropriations in the General Fund (GF) in the Library Services Department (LS) by \$4,000 for the installation of a hearing loop, offset by unspent one-time funds.*
70. *Increase appropriations in the General Fund (GF) in the Police Department (PD) by \$14,853 for equipment costs for the Body Worn Camera pilot program, offset by unspent one-time funds.*
71. *Increase appropriations in the General Fund (GF) in the Police Department (PD) by \$16,416 to provide sensitivity training for Police Officers, offset by unspent one-time funds.*
72. *Increase appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$46,898 for programming at downtown parks, offset by unspent one-time funds.*
73. *Increase appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$10,000 for the MacArthur Park Community Garden, offset by unspent Sixth District Priority Funds.*

74. *Increase appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$10,000 to transition to multi-year pet licenses, offset by unspent one-time funds.*
75. *Increase appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$10,000 for the Peace Park mural, offset by unspent First District Priority Funds.*
76. *Increase appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$50,000 for consultants to develop a strategic plan specific to Animal Care Services, offset by unspent one-time funds.*
77. *Increase appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$5,000 for Sixth District Summer Concert Park Utilization, offset by Sixth District Priority Funds.*
78. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Parks, Recreation and Marine Department (PR) by \$106,404 for the Beach Sand Renourishment Hydraulic Pump pilot program, offset by unspent one-time funds.*
79. *Increase appropriations in the General Fund (GF) in Public Works Department (PW) by \$512 for Bruin Way signs, offset by unspent Third District Priority Funds.*
80. *Increase appropriations in the General Fund (GF) in Public Works Department (PW) by \$7,920 for painting of utility boxes on sidewalks, offset by unspent Seventh District Priority Funds.*
81. *Increase appropriations in the Refuse Recycling Fund (EF 330) in the Public Works Department (PW) by \$282,273 for Clean Team Expansion vehicle acquisition costs, offset by unspent one-time funds.*
82. *Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$40,000 for Identity Management Software, offset by unspent one-time funds.*
83. *Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$100,000 for a GeoDatabase upgrade, offset by unspent one-time funds.*
84. *Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$146,847 for Second Street and Broadway fiber installations, offset by unspent one-time funds.*
85. *Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$390,480 for the Billings and Collections Project, offset by unspent one-time funds.*

86. *Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$450,875 for cyber security risk assessment, offset by unspent one-time funds.*
87. *Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$113,410 for professional consulting services related to the development of Information Technology Strategic Plans with the Police Department, offset by unspent one-time funds.*
88. *Increase appropriations in the General Services Fund (IS 385) in the Technology and Innovation Department (TI) by \$65,850 for a Payment Card Industry (PCI) compliance study, offset by unspent one-time funds.*

Appropriations Using FY 18 Year-End Surplus

The FY 18 Year-End Performance Report identified recommended uses of funds available in the General Fund, which included Measure A-related surplus funds, the Uplands Oil Fund, and the Tidelands Operations Fund. The following appropriations are requested funded from the FY 18 year-end surplus as recommended in the FY 18 Year-End Performance Report.

Appropriations Using General Fund FY 18 Year-End Funds Available

89. *Increase appropriations in the General Fund (GF) in the Citywide Activities Department (XC) by \$116,973, to implement the City Council's policy to reserve 5 percent of unfunded liability, offset by FY 18 year-end funds available.*
90. *Increase appropriations in the General Fund (GF) in the Economic Development Department (ED) by \$1,000,000 to support operating and security costs at the Community Hospital and Armory sites, offset by FY 18 year-end funds available.*
91. *Increase appropriations in the General Fund (GF) in the Library Services Department (LS) by \$180,000 to support Sunday library hours at Bay Shore, Burnett, El Dorado, and Michelle Obama through the remainder of FY 19, offset by FY 18 year-end funds available.*
92. *Increase appropriations in the General Fund (GF) in the Parks, Recreation and Marine Department (PR) by \$70,000 for the third and final year of the Phase III Coyote Study, conducted by Loyola Marymount Center for Urban Resilience (CUREs), to provide ongoing collection of photo and video tracking and the placement of GPS radio collars on several coyotes.*
93. *Increase appropriations in the General Fund (GF) in the City Manager Department (CM) by \$200,000 to fund one-time critical needs that may arise in FY 19 that would otherwise go unfunded, offset by FY 18 year-end funds available.*

Appropriations Using FY 18 Year-End Uplands Oil Fund Surplus

94. *Increase appropriations in the Uplands Oil Fund (SR 134) in the Energy Resources Department (ER) by \$34,542 to implement the City Council's policy to reserve 5 percent of unfunded liability, offset by FY 18 year-end surplus.*
95. *Increase appropriations in the Uplands Oil Fund (SR 134) in the Energy Resources Department (ER) by \$650,000 to transfer funds to the Police Department (PD) for mobile technology and the Health Department (HE) for homelessness efforts, offset by FY 18 year-end surplus.*
96. *Increase appropriations in the General Fund (GF) in the Police Department (PD) by \$450,000 to support mobile technology costs associated with the new unfunded State mandate related to AB 953, offset by a transfer from Uplands Oil Fund (SR 134) in the Energy Resources Department (ER).*
97. *Increase appropriations in the General Fund (GF) in the Health and Human Services Department (HE) by \$200,000 to support general clean-ups, outreach, vouchers, and other support for citywide efforts to address the City's homelessness issue, offset by a transfer from the Uplands Oil Fund (SR 134) in the Energy Resources Department (ER).*

Contingent Appropriations Using FY 18 Year-End Measure A Surplus

There was \$7,944,739 in unallocated Measure A surplus funds at FY 18 year-end. The following contingent appropriation adjustments implement the recommended uses of the Measure A surplus as proposed and detailed in the FY 18 Year-End Budget Performance Report. These proposed recommendations for the uses of Measure A funds are contingent upon the confirmation by the Measure A Citizens Advisory Committee that the proposed uses are in conformance with the intent of Resolutions No. RES-16-0018 and RES-16-0017 prioritizing spending.

98. *Increase appropriations in the General Fund (GF) in the Citywide Activities Department (XC) by \$7,884,739 to transfer to the Capital Projects Fund (CP), offset by FY 18 year-end surplus.*
99. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$304,739 for Alley Program, offset by FY 18 Measure A year-end surplus.*
100. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$750,000 for Traffic Circle improvements, offset by FY 18 Measure A year-end surplus.*
101. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$750,000 for Bay Shore Library improvements, offset by FY 18 General Fund Measure A year-end surplus.*

HONORABLE MAYOR AND CITY COUNCIL

February 19, 2019

Page 20

102. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$500,000 for Drake Park improvements, offset by FY 18 Measure A year-end surplus.*
103. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$220,000 for the 4th Street Senior Center improvements, offset by FY 18 Measure A year-end surplus.*
104. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$110,000 for El Dorado Park restroom replacements (#38 & #43), offset by FY 18 Measure A year-end surplus.*
105. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$250,000 for the Davenport Park Phase II, offset by FY 18 Measure A year-end surplus.*
106. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$850,000 for the El Dorado Park artificial turf, offset by FY 18 Measure A year-end surplus.*
107. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$700,000 for the Houghton Park Community Center, offset by FY 18 Measure A year-end surplus.*
108. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$750,000 for the MacArthur Park prefabricated restroom, offset by FY 18 Measure A year-end surplus.*
109. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$1,000,000 for the Recreation Park playground, offset by FY 18 Measure A year-end surplus.*
110. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$400,000 for the El Dorado Park Golden Grove playground, offset by FY 18 Measure A year-end surplus.*
111. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$500,000 for the El Dorado Park Golden Grove event area, offset by FY 18 Measure A year-end surplus.*
112. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$400,000 for the Cherry Park playground, offset by FY 18 Measure A year-end surplus.*
113. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$50,000 for the El Dorado Park tennis courts, offset by FY 18 Measure A year-end surplus.*
114. *Increase appropriations in the Capital Projects Fund (CP) in the Public Works Department (PW) by \$350,000 for Bixby Park improvements, offset by FY 18 Measure A year-end surplus.*

115. *Increase appropriations in the General Fund (GF) in the Financial Management Department (FM) by \$60,000 for Measure A program administration carryover for educational materials, offset by FY 18 Measure A year-end expenditure savings.*

Appropriations Using FY 18 Year-End Tidelands Operations Fund Surplus

In FY 18, the Tidelands Operations Fund ended the fiscal year with a total of \$5.2 million in surplus and \$1.8 million in funds available from completed projects. The following appropriation adjustments implement the recommended uses of the Tidelands Operations Fund surplus as proposed in the FY 18 Year-End Budget Performance Report.

116. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$1,000,000 for Convention Center improvements, offset by FY 18 year-end surplus and funds available from completed projects.*
117. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$2,500,000 for Naples Seawalls Phase 2 construction, offset by FY 18 year-end surplus and funds available from completed projects.*
118. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$1,500,000 for the Alamitos Concessions construction, offset by FY 18 year-end surplus and funds available from completed projects.*
119. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$700,000 for the Granada Concessions construction, offset by FY 18 year-end surplus and funds available from completed projects.*
120. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$900,000 for the Junipero Concessions construction, offset by FY 18 year-end surplus and funds available from completed projects.*
121. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$50,000 for the Water Playground - Bayshore, offset by FY 18 year-end surplus and funds available from completed projects.*
122. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$100,000 for the Water Playground – Alamitos Beach, offset by FY 18 year-end surplus and funds available from completed projects.*
123. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$50,000 for trash receptacles throughout the Tidelands area, offset by FY 18 year-end surplus and funds available from completed projects.*
124. *Increase appropriations in the Tidelands Operations Fund (TF 401) in the Public Works Department (PW) by \$200,000 for critical facilities, offset by FY 18 year-end surplus and funds available from completed projects.*

HONORABLE MAYOR AND CITY COUNCIL

February 19, 2019

Page 22

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

JG:GY:RAG:NK
K:\BUDGET\FY 19\BUDGET ADJUSTMENTS\Q1 BA\1ST BUDGET ADJUSTMENT FY 19.DOCX

ATTACHMENTS

APPROVED:



PATRICK H. WEST
CITY MANAGER

**First Budget Adjustment for FY 19
(not including Citywide Healthcare Savings)**

	USES:	SOURCES:	
	<u>Budgeted</u> <u>Expenditure</u>	<u>Budgeted</u> <u>Revenue</u>	<u>Other</u> <u>Sources</u>
General Fund (GF)			
Proposed 1st FY 19 Adjustments:			
Upgrades to Electrical Ballasts - SCE	25,000	25,000	-
Youth Strategic Plan	-	-	-
Council Districts Divide-by-Nine FY-18 Year-End Surplus	286,791	-	286,791
9th Council District FY 18 Budget Overage	(16,583)	-	(16,583)
Council Districts Programing Activities for PR	48,823	48,823	-
K-9 Related Purchases	31,528	31,528	-
Civic Center Design- Main Library	363,484	-	363,484
Tree Trimming in the Public Right-of-Way	73,984	73,984	-
Transfer Street Median Responsibilities From PR to PW	-	-	-
Veterans Parade and Festival	5,000	-	5,000
Seventh District: Arts Initiative	50,000	-	50,000
Third District: Neighborhood Impact Prosecutor - PATH program	2,934	-	2,934
Fourth District: Neighborhood Impact Prosecutor	18,000	-	18,000
Second District: 10th St Neighborhood Partners Program Grant Match	3,500	-	3,500
Fourth District: 10th St Neighborhood Partners Program Grant Match	1,154	-	1,154
Sixth District: Business Façade Improvements	30,000	-	30,000
Fourth District: Community Hospital Architect	15,909	-	15,909
Sixth District: Pacific Ave PBID	45,000	-	45,000
Summer Youth Employment Program	55,000	-	55,000
Business District Corridor (Anaheim St BID)	150,000	-	150,000
Business District Corridor (Pacific St BID)	150,000	-	150,000
Small Business Incentive program	74,106	-	74,106
Wage Theft Education Program	595,000	-	595,000
Cannbis Public Health & Safety Education Program	64,203	-	64,203
Office of Aging	68,392	-	68,392
Funding to Leverage STD Program Grants	83,310	-	83,310
My Brother's Keeper	62,078	-	62,078
Urban Community Outreach for Homeless Services	8,170	-	8,170
First District: Community Events and Sponsorships	2,143	-	2,143
Sixth District: Cambodia Town Festival	10,000	-	10,000
Eighth District: Community Events and Concert Sponsorships	685	-	685
Ninth District: Creative Corridor Challenge Programs	214	-	214
Hearing Loop	4,000	-	4,000
Police Body Worn Camera Pilot	14,853	-	14,853
Police Sensitivity Training	16,416	-	16,416
Programming at Downtown Parks	46,898	-	46,898
Sixth District: MacArthur Park Community Garden	10,000	-	10,000
Transition to Multi-Year Pet Licenses	10,000	-	10,000
First District: Peace Park Mural	10,000	-	10,000
Develop Strategic Plan for Animal Care Services	50,000	-	50,000
Sixth District Summer Concert Park Utilization	5,000	-	5,000
Third District: Bruin Way Signs at Park Ave	512	-	512
Seventh District: Paint Utility Boxes	7,920	-	7,920
Reserve 5 Percent of Unfunded Liability	116,973	-	116,973
Operating and Security Costs at the Community Hospital and Armory	1,000,000	-	1,000,000
Support for Sunday Library Hours	180,000	-	180,000
Phase III of the Coyote Study	70,000	-	70,000
One-Time Critical Needs - CM	200,000	-	200,000
Police Mobile Costs Related to AB953	450,000	450,000	-
Support General Clean-ups, Outreach, And other Homelessness Issues	200,000	200,000	-
Measure A Transfer to Capital Projects Fund	7,884,739	-	7,884,739
Measure A Program Admin for Educational Materials	60,000	-	60,000
Development of Downtown Campus by CSULB	1,000,000	1,000,000	-
Policy Academy Funding	3,400,000	-	3,400,000
Total Adjustments - General Fund	\$ 17,045,137	\$ 1,829,335	\$ 15,215,802

**First Budget Adjustment for FY 19
(not including Citywide Healthcare Savings)**

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Other Sources</u>
<u>Capital Projects Fund (CP 201)</u>			
Proposed 1st FY 19 Adjustments:			
Citywide Irrigation Projects Transfer From PW to PR	-	-	-
Citywide Wayfinding Signage	500,000	500,000	-
Repairs to Fire Station 7 Rooftop Tower	123,000	123,000	-
Improvements to the Carson Street Corridor	150,000	150,000	-
Santa Fe Ave Synchronization Enhancement Project	1,920,197	1,920,197	-
Deforest Park Wetlands Project	-	-	-
Alley Program	304,739	304,739	-
Traffic Circle Improvements	750,000	750,000	-
Bayshore Library Improvements	750,000	750,000	-
Drake Park Improvements	500,000	500,000	-
4th Street Senior Center Improvements	220,000	220,000	-
El Dorado Restroom Replacements	110,000	110,000	-
Davenport Park Phase II	250,000	250,000	-
El Dorado Park Artificial Turf	850,000	850,000	-
Houghton Park Community Center	700,000	700,000	-
MacArthur Park Prefabricated Restroom	750,000	750,000	-
Recreation Park Playground	1,000,000	1,000,000	-
El Dorado Golden Grove Playground	400,000	400,000	-
El Dorado Tennis Courts	50,000	50,000	-
Bixby Park Improvements	350,000	350,000	-
El Dorado Golden Grove Event Area	500,000	500,000	-
Cherry Park Playground	400,000	400,000	-
Total Adjustments - Capital Projects Fund	\$ 10,577,936	\$ 10,577,936	\$ -
<u>Gas Fund (EF 301)</u>			
Proposed 1st FY 19 Adjustments:			
AB 32	3,000,000	-	3,000,000
Total Adjustments - Gas Fund	\$ 3,000,000	\$ -	\$ 3,000,000
<u>Airport Fund (EF 320)</u>			
Proposed 1st FY 19 Adjustments:			
Historic Terminal's HVAC system	785,730	-	785,730
Total Adjustments - Airport Fund	\$ 785,730	\$ -	\$ 785,730
<u>Refuse Recycling Fund (EF 330)</u>			
Proposed 1st FY 19 Adjustments:			
Clean Team Expansion Vehicle	282,273	-	282,273
Total Adjustments - Refuse Recycling Fund	\$ 282,273	\$ -	\$ 282,273
<u>Development Services Fund (EF 337)</u>			
Proposed 1st FY 19 Adjustments:			
Fellow Mobilizing Local Efforts - U.S. Census 2020	50,000	-	50,000
Electronic Plan Check -B5 Phase II	19,110	-	19,110
On-Call Consultants	400,000	-	400,000
Technology Services Improvements	668,522	-	668,522
Short Term Rental Ordinance Preparation	13,880	-	13,880
Total Adjustments - Development Services Fund	\$ 1,151,512	\$ -	\$ 1,151,512
<u>Civic Center Fund (IS 380)</u>			
Proposed 1st FY 19 Adjustments:			
Civic Center Public Safety Memorial	500,000	500,000	-
Civic Center Library Design Changes	363,484	363,484	-
Prepayment of Existing Civic Center Lease	17,595,000	17,784,146	-
Total Adjustments - Civic Center Fund	\$ 18,458,484	\$ 18,647,630	\$ -

**First Budget Adjustment for FY 19
(not including Citywide Healthcare Savings)**

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Other Sources</u>
<u>General Services Fund (IS 385)</u>			
Proposed 1st FY 19 Adjustments:			
Identity Management Software	40,000	-	40,000
GeoDatabase Upgrade	100,000	-	100,000
2nd Street and Broadway Fiber Dig	146,847	-	146,847
Billings & Collections Project	390,480	-	390,480
Cyber Security Risk Assessment	450,875	-	450,875
Development of IT Strategic Plan With the Police Department	113,410	-	113,410
Payment Card Industry Compliance Study	65,850	-	65,850
Total Adjustments - General Services Fund	\$ 1,307,462	\$ -	\$ 1,307,462
<u>Fleet Services Fund (IS 386)</u>			
Proposed 1st FY 19 Adjustments:			
Fleet M5 System Upgrade	85,671	-	85,671
Fueling System Upgrade	262,742	-	262,742
Remediation of Former Underground Storage Tank	72,449	-	72,449
Total Adjustments - Fleet Services Fund	\$ 420,862	\$ -	\$ 420,862
<u>Insurance Fund (IS 390)</u>			
Proposed 1st FY 19 Adjustments:			
K-9 Related Purchases transfer to PD	31,528	-	31,528
Total Adjustments - Insurance Fund	\$ 31,528	\$ -	\$ 31,528
<u>Employee Benefits Fund (IS 391)</u>			
Proposed 1st FY 19 Adjustments:			
Civil Service Testing Consultant	200,000	-	200,000
Total Adjustments - Employee Benefits Fund	\$ 200,000	\$ -	\$ 200,000
<u>General Grants Fund (SR 120)</u>			
Proposed 1st FY 19 Adjustments:			
Urban Area Security Initiative - UASI 2016	-	-	-
Urban Area Security Initiative - UASI 2017	96,667	96,667	-
Literacy Programming, Mobile Studio and Book Purchases	718,075	718,075	-
Total Adjustments - General Grants Fund	\$ 814,742	\$ 814,742	\$ -
<u>Health Fund (SR 130)</u>			
Proposed 1st FY 19 Adjustments:			
Purchase of Prescription Medications Through 340B Program	213,000	388,000	-
Community Reinvestment Plan for Cannabis Businesses	85,000	85,000	-
Repairs to Main Health Facility	104,469	-	104,469
Total Adjustments - Health Fund	\$ 402,469	\$ 473,000	\$ 104,469
<u>Special Advertising & Promotion Fund (SR 133)</u>			
Proposed 1st FY 19 Adjustments:			
Neighborhood Engagement & Citywide Communications Plan	80,000	-	80,000
Civic Center Public Safety Memorial	500,000	-	500,000
African American Cultural Arts Center	25,000	-	25,000
Museum of Art Appraisal	50,000	-	50,000
Percent for the Arts Nexus Study	100,000	-	100,000
Security Costs For Community Events	233,821	-	233,821
Total Adjustments - Special Advertising & Promotion Fund	\$ 988,821	\$ -	\$ 988,821
<u>Uplands Oil Fund (SR 134)</u>			
Proposed 1st FY 19 Adjustments:			
Reserve 5 Percent of Unfunded Liability	34,542	-	34,542
Transfer to Police and Health and Human Services Departments	650,000	-	650,000
Total Adjustments - Uplands Oil Fund	\$ 684,542	\$ -	\$ 684,542

**First Budget Adjustment for FY 19
(not including Citywide Healthcare Savings)**

	<u>Budgeted Expenditure</u>	<u>Budgeted Revenue</u>	<u>Other Sources</u>
<u>Belmont Shore Parking Meter Fund (SR 136)</u>			
Proposed 1st FY 19 Adjustments:			
Transfer Belmont Shore Parking Meter Fund from ED to PW	-	-	-
Total Adjustments - Belmont Shore Parking Meter Fund	\$ -	\$ -	\$ -
<u>Community Development Fund (SR 150)</u>			
Proposed 1st FY 19 Adjustments:			
Neighborhood Leadership Program	29,000	29,000	-
Total Adjustments - Community Development Fund	\$ 29,000	\$ 29,000	\$ -
<u>Tidelands Operations Fund (TF 401)</u>			
Proposed 1st FY 19 Adjustments:			
Police Overtime East Division Correction	25,000	-	25,000
Transfer Street Median Responsibilities From PR to PW	-	-	-
Beach Sand Renourishment Hydraulic Pump Pilot Program	106,404	-	106,404
Convention Center Improvements	1,000,000	-	1,000,000
Naples Seawalls Phase 2	2,500,000	-	2,500,000
Alamitos Concessions Construction	1,500,000	-	1,500,000
Granada Concessions Construction	700,000	-	700,000
Junipero Concessions Construction	900,000	-	900,000
Water Playground - Bayshore	50,000	-	50,000
Water Playground - Alamitos Beach	100,000	-	100,000
Trash Receptacles	50,000	-	50,000
Critical Facilities	200,000	-	200,000
Total Adjustments - Tidelands Operations Fund	\$ 7,131,404	\$ -	\$ 7,131,404
<u>Marina Fund (TF 403)</u>			
Proposed 1st FY 19 Adjustments:			
Transfer Street Median Responsibilities From PR to PW	-	-	-
Police Overtime East Division Correction	(25,000)	-	(25,000)
Total Adjustments - Marina Fund	\$ (25,000)	\$ -	\$ (25,000)

**General Fund
FY 19 Budget Adjustment Recap**

	USES:	SOURCES:	
	Budgeted Expenditure	Budgeted Revenue	Other Sources
<u>Previous City Council Actions</u>			
FY 19 Adopted Budget	538,085,679	526,659,261	
Subtotal - Previous City Council Actions	-	-	-
<u>First FY 19 Budget Adjustments</u>			
Upgrades to Electrical Ballasts - SCE	25,000	25,000	-
Youth Strategic Plan	-	-	-
Council Districts Divide-by-Nine FY-18 Year-End Surplus	286,791	-	286,791
9th Council District FY 18 Budget Overage	(16,583)	-	(16,583)
Council Districts Programing Activities for PR	48,823	48,823	-
K-9 Related Purchases	31,528	31,528	-
Civic Center Design- Main Library	363,484	-	363,484
Tree Trimming in the Public Right-of-Way	73,984	73,984	-
Transfer Street Median Responsibilities From PR to PW	-	-	-
Veterans Parade and Festival	5,000	-	5,000
Seventh District: Arts Initiative	50,000	-	50,000
Third District: Neighborhood Impact Prosecutor - PATH program	2,934	-	2,934
Fourth District: Neighborhood Impact Prosecutor	18,000	-	18,000
Second District: 10th St Neighborhood Partners Program Grant Match	3,500	-	3,500
Fourth District: 10th St Neighborhood Partners Program Grant Match	1,154	-	1,154
Sixth District: Business Façade Improvements	30,000	-	30,000
Fourth District: Community Hospital Architect	15,909	-	15,909
Sixth District: Pacific Ave PBID	45,000	-	45,000
Summer Youth Employment Program	55,000	-	55,000
Business District Corridor (Anaheim St BID)	150,000	-	150,000
Business District Corridor (Pacific St BID)	150,000	-	150,000
Small Business Incentive program	74,106	-	74,106
Wage Theft Education Program	595,000	-	595,000
Cannbis Public Health & Safety Education Program	64,203	-	64,203
Office of Aging	68,392	-	68,392
Funding to Leverage STD Program Grants	83,310	-	83,310
My Brother's Keeper	62,078	-	62,078
Urban Community Outreach for Homeless Services	8,170	-	8,170
First District: Community Events and Sponsorships	2,143	-	2,143
Sixth District: Cambodia Town Festival	10,000	-	10,000
Eighth District: Community Events and Concert Sponsorships	685	-	685
Ninth District: Creative Corridor Challenge Programs	214	-	214
Hearing Loop	4,000	-	4,000
Police Body Worn Camera Pilot	14,853	-	14,853
Police Sensitivity Training	16,416	-	16,416
Programming at Downtown Parks	46,898	-	46,898
Sixth District: MacArthur Park Community Garden	10,000	-	10,000
Transition to Multi-Year Pet Licenses	10,000	-	10,000
First District: Peace Park Mural	10,000	-	10,000
Develop Strategic Plan for Animal Care Services	50,000	-	50,000
Sixth District Summer Concert Park Utilization	5,000	-	5,000
Third District: Bruin Way Signs at Park Ave	512	-	512

**General Fund
FY 19 Budget Adjustment Recap**

	Budgeted Expenditure	Budgeted Revenue	Other Sources
Seventh District: Paint Utility Boxes	7,920	-	7,920
Reserve 5 Percent of Unfunded Liability	116,973	-	116,973
Operating and Security Costs at the Community Hospital and Armory	1,000,000	-	1,000,000
Support for Sunday Library Hours	180,000	-	180,000
Phase III of the Coyote Study	70,000	-	70,000
One-Time Critical Needs - CM	200,000	-	200,000
Police Mobile Costs Related to AB953	450,000	450,000	-
Support General Clean-ups, Outreach, And other Homelessness Issues	200,000	200,000	-
Measure A Transfer to Capital Projects Fund	7,884,739	-	7,884,739
Measure A Program Admin for Educational Materials	60,000	-	60,000
Development of Downtown Campus by CSULB	1,000,000	1,000,000	-
Policy Academy Funding	3,400,000	-	3,400,000
Subtotal - First Budget Adjustments Letter	17,045,137	1,829,335	15,215,802
Total FY 19 Budget Adjustments to Date	17,045,137	1,829,335	15,215,802
General Fund FY 19 Adjusted Budget	555,130,815	528,488,596	15,215,802

**Citywide Healthcare Savings
FY 19 Impact By Department and Fund**

DEPARTMENT, Fund	AMOUNT	DEPARTMENT, Fund	AMOUNT
AIRPORT	\$ (25,349)	FIRE	\$ (129,341)
EF320	(25,349)	GP100	(120,138)
CITY ATTORNEY	(18,179)	SR131	(1,578)
GP100	(6,128)	TF401	(5,416)
IS390	(11,546)	TF403	(2,209)
IS391	(505)	FINANCIAL MANAGEMENT	(64,888)
CITY AUDITOR	(5,555)	EF340	(7,418)
GP100	(4,211)	GP100	(28,740)
IS391	(333)	IS385	(2,022)
TF401	(1,010)	IS386	(22,880)
CITY CLERK	(4,040)	IS390	(98)
GP100	(4,040)	IS391	(2,338)
CITY MANAGER	(11,614)	SA270	(53)
GP100	(6,923)	SR130	(13)
SR133	(4,605)	SR135	(58)
TF411	(86)	SR150	(202)
CITY PROSECUTOR	(9,089)	SR151	(20)
GP100	(8,943)	TF401	(722)
SR120	(146)	TF403	(169)
CIVIL SERVICE	(4,292)	TF411	(154)
GP100	(4,252)	GAS & OIL	(57,187)
IS391	(40)	EF301	(49,928)
DISASTER PREPAREDNESS & EMERGENCY COMMUNICATIONS	(22,471)	EF331	(884)
GP100	(22,219)	NX420	(6,375)
SR120	(252)	HEALTH & HUMAN SVCS	(93,608)
DEVELOPMENT SERVICES	(51,759)	GP100	(2,676)
EF337	(31,085)	SR130	(72,639)
GP100	(8,067)	SR131	(1,376)
SA270	(944)	SR151	(16,916)
SR135	(2,664)	HUMAN RESOURCES	(11,235)
SR149	(30)	IS390	(4,519)
SR150	(8,968)	IS391	(6,716)
ECONOMIC & PROPERTY DEVELOPMENT	(19,441)	LEGISLATIVE	(11,362)
GP100	(3,131)	GP100	(11,362)
IS380	(38)	LIBRARY SERVICES	(20,703)
SR150	(14,972)	GP103	(19,605)
TF401	(783)	IS380	(341)
TF403	(126)	SR120	(757)
TF400	(252)	POLICE	(303,229)
TF411	(139)	GP100	(288,270)
		TF401	(9,152)
		TF403	(5,807)

**Citywide Healthcare Savings
FY 19 Impact By Department and Fund**

DEPARTMENT, Fund	AMOUNT	DEPARTMENT, Fund	AMOUNT
PARKS, RECREATION & MARINE	\$ (62,110)	PUBLIC WORKS	\$ (99,822)
GP105	(32,093)	EF330	(34,322)
SR120	(1,136)	GP100	(59,218)
SR133	-	IS380	(2,815)
TF401	(10,634)	TF401	(2,977)
TF403	(16,240)	TF411	(490)
TF411	(2,007)		
		TECHNOLOGY & INNOVATION	(40,144)
		IS385	(40,144)
		CITYWIDE ACTIVITIES	630,000
		GP100	630,000
GRAND TOTAL (does not include Harbor or Water Departments)			\$ (435,419)