

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

BH-1

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September 4, 2018

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and discuss an overview of the Proposed Fiscal Year 2019 budgets for the following Departments: Harbor and Water; and,

Receive supporting documentation into the record, conclude the public hearing, and take the actions necessary to adopt the Fiscal Year 2019 budget as listed in Attachment A. (Citywide)

DISCUSSION

On July 31, 2018, the City Manager's Proposed Budget for Fiscal Year 2019 (FY 19) was delivered by Mayor Garcia to the City Council and community for consideration. Budget meetings were held on December 19, 2017, February 6, August 7, August 14, August 21, and September 4, 2018, along with Budget Oversight Committee (BOC) meetings, and community meetings throughout August and September at which the FY 19 Proposed Budget was discussed. As a result of these meetings, there were more than 18 scheduled opportunities for public feedback, deliberation, and input. Additionally, input was solicited through the Long Beach Budget Priority Survey to obtain feedback on what the City's priorities should be. The survey was promoted on the City's website, along with OpenLB, which shows the budget visually, through Twitter and Facebook, and at the community meetings.

At the conclusion of the hearing, the City Council will amend the proposed budget as it deems appropriate, and adopt the proposed budget as amended. Since the publication of the FY 19 Proposed Budget, updated estimates of FY 19 revenues and expenses, which primarily address technical corrections, are listed by fund and department in Attachments B, C and D to this letter. The reasons for the adjustments are discussed at the end of this letter.

There are three Ordinances in Attachment A. The first approves Resolution No. WD-1392 (A-3), which establishes the rates and charges for the water and sewer service. The second is the Appropriations Ordinance (A-17), which officially adopts the FY 19 budget and authorizes expenditures in conformance with the adopted budget. For these two Ordinances to become effective on October 1, 2018, the City Council must first declare an emergency to exist before adopting each Ordinance (A-2 and A-16). The third Ordinance amends the Departmental Organization of the City (A-13).

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There are also five Resolutions that provide for approval of the budget for the Harbor Department (A-1), the budget for the Water Department (A-4), the Master Fees and Charges Schedule (A-5), establish the Gann Appropriations Limit (A-9), and amend the Salary Resolution (A-14). There are also motions that request approvals for the following: the FY 19 One-Year Capital Improvement Program (A-6); the FY 19 Budget for the Long Beach Community Investment Company (A-7); the Harbor Revenue Fund Transfer (A-8); the revised Financial Policies as recommended by the BOC (A-10); the Mayor's Recommendations (A-11); the BOC Recommendations (A-12); and, a motion amending the Proposed FY 19 Budget (A-15).

This matter was reviewed by Deputy City Attorney Amy R. Webber on August 16, 2018 and by Interim Budget Bureau Manager Grace H. Yoon on August 20, 2018.

TIMING CONSIDERATIONS

In accordance with the City Charter, the FY 19 budget must be adopted by September 15, 2018. Should the City Council fail to adopt the budget by that date, the City Manager's FY 19 Proposed Budget will be deemed the budget for the 2019 Fiscal Year. The Mayor has five calendar days from City Council adoption of the budget to use his veto authority. The City Council would then have until September 30, 2018, to override veto action by the Mayor with a two-thirds supermajority vote (six Councilmembers).

FISCAL IMPACT

The City Charter requires that the Appropriations Ordinance shall govern and control the expenditure and commitment amounts stated therein relating to the City's departments, offices, and agencies during each fiscal year. The total Proposed FY 19 budget for all departments and funds is \$3,488,079,611, which comprises of \$3,049,742,656 in new appropriation and \$438,336,955 in estimated carry-over from FY 18 for multi-year grants and projects. Attachments B, C and D provide the financial overview by Fund, by Department, and Citywide revenue by Fund.

The Appropriations Ordinance, included as Attachment A-17, totals \$2,357,522,499 for all funds except Harbor, Sewer, and Water, and \$2,361,672,358 for all departments except Harbor and Water. The \$4,149,859 difference between funds and departments is due to general City indirect costs budgeted in the Financial Management Department, but charged to the Harbor, Water and Sewer Funds, which are not included in the Appropriations Ordinance by fund.

The proposed Harbor, Water and Sewer Funds budgets are in separate City Council Resolutions included as Attachment A-1 and A-4, respectively, and total \$1,130,557,112. The Board of Harbor Commissioners adopted the budget for the Harbor Department by minute order on June 11, 2018. The Board of Water Commissioners adopted the budget for the Water Department by Resolution on June 21, 2018.

User fees and charges in the Master Fees and Charges Schedule, included as Attachment A-5, have been adjusted due to changes in service and other factors,

including the City Cost Index adjustment. For details regarding these proposed new fees, deletions and adjustments, please see the List of Proposed Fees Adjustments for FY 19 that has been incorporated as Exhibits B and C to the Master Fees and Charges Resolution.

Other requested City Council actions include:

- Approving the FY 19 One-Year Capital Improvement Program (CIP) budget, included as Attachment A-6, which is contained in the Appropriations Ordinance. The Planning Commission, at its meeting of August 16, 2018, approved the CIP for FY 19 as conforming to the General Plan.
- Adopting a Resolution, included as Attachment A-9, establishing the Gann Appropriations Limit (Limit) for general purpose expenditures. In November 1979, the voters of the State of California (State) approved Proposition 4, also known as the Gann Initiative (Initiative). The Initiative places certain limits on the amount of tax revenue that can be appropriated each fiscal year. The Limit is based on actual appropriations during FY 79 and prevents overspending proceeds of taxes. Only those revenues that are considered as "proceeds of taxes" are subject to the Limit. The Limit is recalculated each fiscal year based on certain inflation and population factors provided by the State. The Proposed Budget includes tax revenue estimates that are at 39.84 percent of the 2018-2019 Appropriations Limit and, therefore, do not exceed the Limit. This calculation is reviewed by the City Auditor for conformance to the law.
- Adopting the Financial Policies for the City, included as Attachment A-10. These policies have been presented to the BOC for consideration and review and now come to the full City Council for deliberation. Changes made at the request of the BOC include the Fiscal Impact Policy (Policy 12), which is expanded to include non-City Manager departments or elected officials, and normally a fiscal impact statement reviewed by the Financial Management Department. Additionally, the Grant Policy (Policy 17) has been amended to include a statement of expectations for continued funding after the grant period and any deviations from expectations. A redline version of the changes is also provided.
- Adopting the FY 19 Long Beach Community Investment Company (LBCIC) budget, included as Attachment A-7. The LBCIC budget is prepared annually for City Council approval and is a subset of the Housing Development Fund. The LBCIC oversees the delivery of housing and neighborhood revitalization services. The LBCIC approved its FY 19 budget on April 18, 2018.
- Amending the Departmental Organization Ordinance, included as Attachment A-13. This amendment incorporates changes to departments, bureaus, and divisions for FY 19. These organizational changes are necessary to implement changes reflected in the Proposed FY 19 budget. A redline version of the changes is also provided.

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- Adopting the Salary Resolution, which creates and establishes positions of employment while fixing and prescribing the compensation for officers and employees, is included as Attachment A-14.

After the City Manager delivered the FY 19 Proposed Budget to the Mayor, technical adjustments were made to the budget. These changes are generally not substantive and are shown in Attachments B, C and D. Changes include the following:

1. An appropriation increase in the Gas Fund (EF 301) in the Energy Resources Department (ER) by \$12,050,000 to reflect the FY 19 Capital Improvement plan in ER and a transfer to the Capital Projects Fund (CP 201) that were inadvertently omitted.
2. An appropriation and revenue budget decrease in the Insurance Fund (IS 390) in the Human Resources Department (HR) by \$383,630 to reverse the transfer of the Public Works Department's Safety Division to HR that was included in the FY 19 Proposed Budget. Staff had explored the possibility of housing the Public Works Department's Safety staff under HR, but both departments have decided to postpone the transfer to allow more time to study the impact and implementation of such a change.
3. A revenue budget increase in the Development Services Fund (EF 337) in the Development Services Department (DV) by \$3,467,798 to correctly reflect higher Building and Safety Bureau revenues that were inadvertently reduced.
4. A revenue budget increase in the Civic Center Fund (IS 380) in the Citywide Allocations Department (XI) by \$2,973,603 to correctly reflect FY 19 Civic Center rent revenue collected across departments that was inadvertently omitted.

The remaining changes were minor, technical adjustments made to various funds and departments to align budget with grants and/or revenues.

SUGGESTED ACTION:

Approve recommendation

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:


PATRICK H. WEST
CITY MANAGER

List of Requested Fiscal Year 2019 Budget Adoption Actions

1. Adopt the Resolution approving the FY 19 budget for the Long Beach Harbor Department as adopted by the Board of Harbor Commissioners on June 11, 2018. (A-1)
2. Declare an emergency to exist. (A-2)
3. Declare the Ordinance approving the Resolution No. WD-1392 establishing the rates and charges for water and sewer service to all customers, as adopted by the Board of Water Commissioners on June 21, 2018, as an Emergency Ordinance, read, and adopted as read and laid over to the next regular meeting of the City Council for final reading. (A-3)
4. Adopt the Resolution approving the FY 19 budget of the Long Beach Water Department as adopted by the Board of Water Commissioners on June 21, 2018. (A-4)
5. Adopt the Resolution amending the Master Fees and Charges Schedule for specified City services for Citywide fees and charges for the City of Long Beach. (A-5)
6. Approve the FY 19 One-Year Capital Improvement Program. (A-6)
7. Adopt a motion approving the FY 19 budget for the Long Beach Community Investment Company in the amount of \$2,936,263. (A-7)
8. Adopt a motion approving the estimated transfer of \$19,959,950 from the Harbor Revenue Fund to the Tidelands Operations Fund. (A-8)
9. Adopt the Resolution establishing the Gann Appropriations Limit (Limit) for FY 19 pursuant to Article XIII (B) of the California Constitution. (A-9)
10. Adopt a motion approving the Financial Policies as recommended by the Budget Oversight Committee on August 14, 2018. (A-10)
11. Adopt the Mayor's proposed budget recommendations to the FY 19 Proposed Budget. (A-11)
12. Adopt the Budget Oversight Committee's proposed funding recommendations, as amended, to the FY 19 Proposed Budget. (A-12)
13. Declare the Ordinance amending the Departmental Organization Ordinance read the first time and laid over to the next regular meeting of the City Council for final reading. (A-13)
14. Adopt the amended Salary Resolution for FY 19. (A-14)
15. Adopt a motion amending the proposed FY 19 budget. (A-15)
16. Declare an emergency to exist. (A-16)
17. Declare the Appropriations Ordinance for FY 19, creating and establishing the funds of the Municipal Government and appropriating money to and authorizing expenditures from said funds and for said fiscal year as an Emergency Ordinance, read, and adopted as read and laid over to the next regular meeting of the City Council for final reading. (A-17)

FISCAL YEAR 2019 APPROPRIATIONS ORDINANCE BY FUND
(Does not include Harbor, Water and Sewer Funds)

<u>FUND</u>	<u>FY 19 PROPOSED EXPENDITURES</u>	<u>CHANGES*</u>	<u>FY 18 ESTIMATED CARRYOVER**</u>	<u>FY 19 APPROPRIATIONS</u>
GENERAL FUND	537,585,679	-	-	537,585,679
UPLAND OIL FUND	11,543,099	-	-	11,543,099
GENERAL GRANTS FUND	7,726,730	-	18,436,868	26,163,598
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT FUND	3,316,412	-	-	3,316,412
HEALTH FUND	54,174,568	-	36,239,918	90,414,485
CUPA FUND	2,097,203	-	-	2,097,203
SPECIAL ADVERTISING & PROMOTION FUND	11,753,219	-	-	11,753,219
HOUSING DEVELOPMENT FUND	3,392,996	-	20,527,064	23,920,060
BELMONT SHORE PARKING METER FUND	771,512	-	-	771,512
BUSINESS ASSISTANCE FUND	711,115	-	1,561,622	2,272,737
COMMUNITY DEVELOPMENT GRANTS FUND	22,394,790	-	20,211,542	42,606,332
HOUSING AUTHORITY FUND	76,708,119	-	504,788	77,212,907
GASOLINE TAX STREET IMPROVEMENT FUND	19,913,365	-	21,829,370	41,742,735
TRANSPORTATION FUND	32,467,833	-	31,493,307	63,961,140
CAPITAL PROJECTS FUND	36,047,085	-	95,542,487	131,589,572
SUCCESSOR AGENCY OPERATIONS	45,221,592	-	21,544,584	66,766,176
CIVIC CENTER FUND	10,519,023	-	8,779,267	19,298,291
GENERAL SERVICES FUND	52,283,448	-	4,806,455	57,089,904
FLEET SERVICES FUND	61,777,136	-	1,897,425	63,674,561
INSURANCE FUND	43,245,148	(383,630)	1,445,419	44,306,937
EMPLOYEE BENEFITS FUND	314,856,193	(203)	-	314,855,989
TIDELANDS OPERATIONS FUND	76,241,062	-	85,220,328	161,461,391
TIDELANDS AREA FUNDS	41,384,740	-	16,071,680	57,456,419
TIDELANDS OIL REVENUE FUND	87,678,483	-	-	87,678,483
RESERVE FOR SUBSIDENCE	-	-	-	-
DEVELOPMENT SERVICES FUND	25,260,615	-	2,049,666	27,310,281
GAS FUND	80,590,373	12,050,000	5,750,764	98,391,137
GAS PREPAY FUND	40,902,344	-	-	40,902,344
AIRPORT FUND	49,705,731	-	44,287,430	93,993,162
REFUSE/RECYCLING FUND	50,806,873	-	136,971	50,943,844
SERRF FUND	51,702,117	-	-	51,702,117
SERRF JPA FUND	10,979,994	-	-	10,979,994
TOWING FUND	6,163,648	-	-	6,163,648
DEBT SERVICE FUND	11,228,072	-	-	11,228,072
SUCCESSOR AGENCY DEBT SERVICE	26,369,058	-	-	26,369,058
TOTAL	1,907,519,378	11,666,166	438,336,955	2,357,522,499

*Please refer to the Fiscal Impact section of the City Council Letter for a description of notable changes.

**Carryover of unexpended appropriations for multi-year grants and CIP funds.

**FISCAL YEAR 2019 APPROPRIATIONS ORDINANCE BY DEPARTMENT
(Does not include Harbor and Water)**

<u>DEPARTMENT</u>	<u>FY 19 PROPOSED EXPENDITURES</u>	<u>CHANGES*</u>	<u>FY 18 ESTIMATED CARRYOVER**</u>	<u>FY 19 APPROPRIATIONS</u>
MAYOR AND COUNCIL	6,063,730	-	-	6,063,730
CITY ATTORNEY	11,281,034	-	-	11,281,034
CITY AUDITOR	3,177,279	-	-	3,177,279
CITY CLERK	3,483,375	-	25,612	3,508,986
CITY MANAGER	16,086,773	170,000	2,019,994	18,276,767
CITY PROSECUTOR	6,074,340	-	629,896	6,704,236
CIVIL SERVICE	2,864,732	-	-	2,864,732
AIRPORT	48,994,737	-	44,287,430	93,282,168
DISASTER PREPAREDNESS & EMERGENCY COMMUNICATIONS	12,732,532	-	2,335,955	15,068,487
DEVELOPMENT SERVICES	115,496,477	(100,400)	50,289,009	165,685,086
ECONOMIC DEVELOPMENT	21,524,996	-	15,527,945	37,052,941
FINANCIAL MANAGEMENT***	575,276,003	(326,710)	762,288	575,711,580
FIRE	126,877,832	-	2,839,919	129,717,750
HEALTH AND HUMAN SERVICES	133,433,388	-	37,538,850	170,972,238
HUMAN RESOURCES	13,012,486	(383,630)	-	12,628,856
LIBRARY SERVICES	14,838,826	-	1,455,033	16,293,859
ENERGY RESOURCES	226,816,177	12,050,000	5,750,764	244,616,940
PARKS, RECREATION AND MARINE	64,507,526	-	18,905,700	83,413,225
POLICE	258,957,589	339,000	8,024,660	267,321,250
PUBLIC WORKS	199,280,176	(82,093)	243,137,446	442,335,529
TECHNOLOGY & INNOVATION	50,889,229	-	4,806,455	55,695,684
TOTAL	1,911,669,237	11,666,166	438,336,955	2,361,672,358

*Please refer to the Fiscal Impact section of the City Council Letter for a description of notable changes.

**Carryover of unexpended appropriations for multi-year grants and CIP funds.

***Department of Financial Management includes internal service charges that are contained in the resolutions of the Harbor, Water, and Sewer funds for accounting, budgeting and treasury functions, and other citywide activities such as debt service.

FISCAL YEAR 2019 REVENUES BY FUND
(Does not include Harbor, Water and Sewer Funds)

<u>FUND</u>	<u>FY 19 PROPOSED REVENUES</u>	<u>CHANGES*</u>	<u>FY 19 PROPOSED BUDGETED REVENUES</u>
GENERAL FUND	526,659,261	-	526,659,261
UPLAND OIL FUND	12,239,561	-	12,239,561
GENERAL GRANTS FUND	7,545,574	-	7,545,574
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT FUND	3,315,912	-	3,315,912
HEALTH FUND	53,642,331	-	53,642,331
SPECIAL ADVERTISING & PROMOTION FUND	11,232,337	-	11,232,337
HOUSING DEVELOPMENT FUND	3,436,465	-	3,436,465
BELMONT SHORE PARKING METER FUND	771,512	-	771,512
BUSINESS ASSISTANCE FUND	677,838	-	677,838
COMMUNITY DEVELOPMENT GRANTS FUND	21,512,651	250,000	21,762,651
GASOLINE TAX STREET IMPROVEMENT FUND	19,848,575	-	19,848,575
TRANSPORTATION FUND	30,419,555	-	30,419,555
CAPITAL PROJECTS FUND	36,545,650	-	36,545,650
CIVIC CENTER FUND	10,519,671	2,972,603	13,492,274
GENERAL SERVICES FUND	53,876,025	(223,304)	53,652,721
FLEET SERVICES FUND	45,297,411	-	45,297,411
INSURANCE FUND	45,299,855	(383,630)	44,916,225
EMPLOYEE BENEFITS FUND	314,701,184	-	314,701,184
TIDELANDS OPERATIONS FUND	72,578,515	-	72,578,515
TIDELANDS AREA FUNDS	41,426,697	-	41,426,697
TIDELANDS OIL REVENUE FUND	89,209,421	-	89,209,421
RESERVE FOR SUBSIDENCE	1,480,000	-	1,480,000
DEVELOPMENT SERVICES FUND	20,589,935	3,467,798	24,057,733
GAS FUND	90,255,725	-	90,255,725
GAS PREPAY FUND	41,475,391	-	41,475,391
AIRPORT FUND	55,611,877	-	55,611,877
REFUSE/RECYCLING FUND	46,613,633	-	46,613,633
SERRF FUND	50,166,100	-	50,166,100
SERRF JPA FUND	11,250,285	-	11,250,285
TOWING FUND	6,210,000	-	6,210,000
HOUSING AUTHORITY FUND	74,280,673	-	74,280,673
SUCCESSOR AGENCY OPERATIONS	45,448,372	-	45,448,372
CUPA FUND	1,822,140	-	1,822,140
DEBT SERVICE FUND	9,079,655	-	9,079,655
SUCCESSOR AGENCY DEBT SERVICE	30,162,041	-	30,162,041
TOTAL	1,885,201,826	6,083,467	1,891,285,293

*Please refer to the Fiscal Impact section of the City Council Letter for a description of notable changes.

BH-1.11

CITY OF
LONG BEACH

Mayor Robert Garcia
FY 2019
BUDGET RECOMMENDATIONS



2019 BUDGET MESSAGE

MAYOR ROBERT GARCIA

It is a pleasure to present the FY 2019 Budget in partnership with City Manager, Patrick West. This is the fifth budget I am presenting to the City Council, and like the previous four, it is balanced and responsible. I am particularly proud of this budget because it makes large new investments to address homelessness, and continues key investments in public safety, infrastructure repair, and other critical services that will move Long Beach forward.

The statewide homelessness crisis and its impact is felt in every community in our City. Significant enhancements to address this challenge have come to Long Beach including: \$12.3 million in one-time funds from the State that was proposed by the Big 10 California Mayors for new services, \$3.4 million in capital funding for a year-round homeless shelter, and \$2.6 million from LA County Measure H to implement additional homeless strategies.

The new resources will help support and implement recommendations from the Everyone Home Long Beach taskforce. New programs will include Everyone Home Innovation Grants, a new fund for community organizations and neighborhood groups to assist in the goal of reducing street homelessness, and funding a new Clean Team, that will employ people experiencing homelessness to clean our communities. It will also create new efforts to engage the public in preventing homelessness through parking meter donations and related efforts.

The last two budgets have made significant investments in public safety. Measure A, passed by Long Beach voters in 2016, has already restored 35 sworn positions in the Police and Fire departments, including: reestablishment of the South Police Division, restoration of Fire Engine 8, restoration of Paramedic Rescue 12, and reinstatement of Police Academy operations.

This budget adds more staffing to both departments: four new Quality of Life officers, to assist people experiencing homelessness, and a new HEART Team, staffed with two new firefighter positions, to assist with our response to homelessness.

This budget also lays out a plan to invest more than \$41 million in funding to rebuild our Police and Fire academies, which are in disrepair and need major upgrades, funds body worn cameras, and upgrades and modernizes communication technologies for both departments in coming years.

As part of this budget, I am also asking the City Manager to identify new revenue to restore Engine 17 on the East Side, which includes twelve new firefighter positions, and to restore the police department's bike patrol by adding a Community Rapid Response Bike Team of six new police officer positions this year. Both restorations will enhance our departments' ability to respond to emergencies and to keep our communities safe. I am confident that we can make these restorations in 2019.

Thanks to from Measure A and other revenue sources, Long Beach has embarked on the largest infrastructure program in a generation. That program continues in the coming year. The attached map shows our Infrastructure Investment Plan – one that will make improvements in every neighborhood in the city. More than 100 centerline miles of streets with sidewalks will be repaired, 34 parks, 10 libraries, and 21 other city facilities. Also included in this message is a list of projects that are funded in the coming year.

As presented, the FY 19 budget also makes new investments in our youth and communities. The budget allocates \$200,000 into a new Youth Fund that will be programed through a participatory budgeting process. I am recommending that budget also include \$250,000 to fully fund the Justice Fund to support immigrants in our community who need legal assistance and double the budget for Language Access services to \$160,000. I also propose allocating \$200,000 for a new effort with our City Prosecutor Doug Haubert to expunge low-level marijuana misdemeanors from peoples' records to help them reenter the workforce. All of these additions will be funded from recently identified savings from our employee health care plan.

This budget makes new investments to make sure that our residents have safe places to live. The budget includes \$150,000 in funding for the City Prosecutor for code enforcement efforts against slum lords and negligent property owners. I am also requesting the City Manager work with our property owners and community to combat poor living conditions by strengthening our proactive residential inspection program, preventing properties from falling into disrepair and fixing slum properties.

This budget also structurally funds libraries to ensure that residents have library access seven days a week and includes \$100,000 to create an adoption coordinator in Animal Care Services. I propose to provide \$150,000 over three years to support staffing for Partners of Parks, \$100,000 in funding for City staff development and training on LGBTQ issues and a community anti-bullying program, and \$150,000 to support MOLAA's facilities master-plan efforts from health care savings and the SAP Fund.

Long Beach has worked hard to structurally balance its budget, manage pension liabilities, and continue providing core services. This budget reflects these priorities. Residents should be proud of this fiscal responsibility and the progress that has been made. I look forward to working with the Council to adopt and implement this budget.

RECOMMENDED ALLOCATION OF MEASURE A FUNDS (FY 19-23)

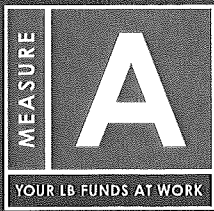
This list only reflects unallocated one-time funds and does not include the funds already allocated as part of the original infrastructure plan that invests \$23.7 million in FY 19, \$15.2 million in FY 20, and \$12.9 million in FY 21.

Projects	Cost
Infrastructure	
Complete Streets, Sidewalks, Parks Upgrades, Playground Upgrades, Animal Care Upgrades, and Facility Improvements	\$10,300,000
Critical Infrastructure Reserve & Cost and Revenue Variances	\$3,100,000
Total Infrastructure	\$13,400,000

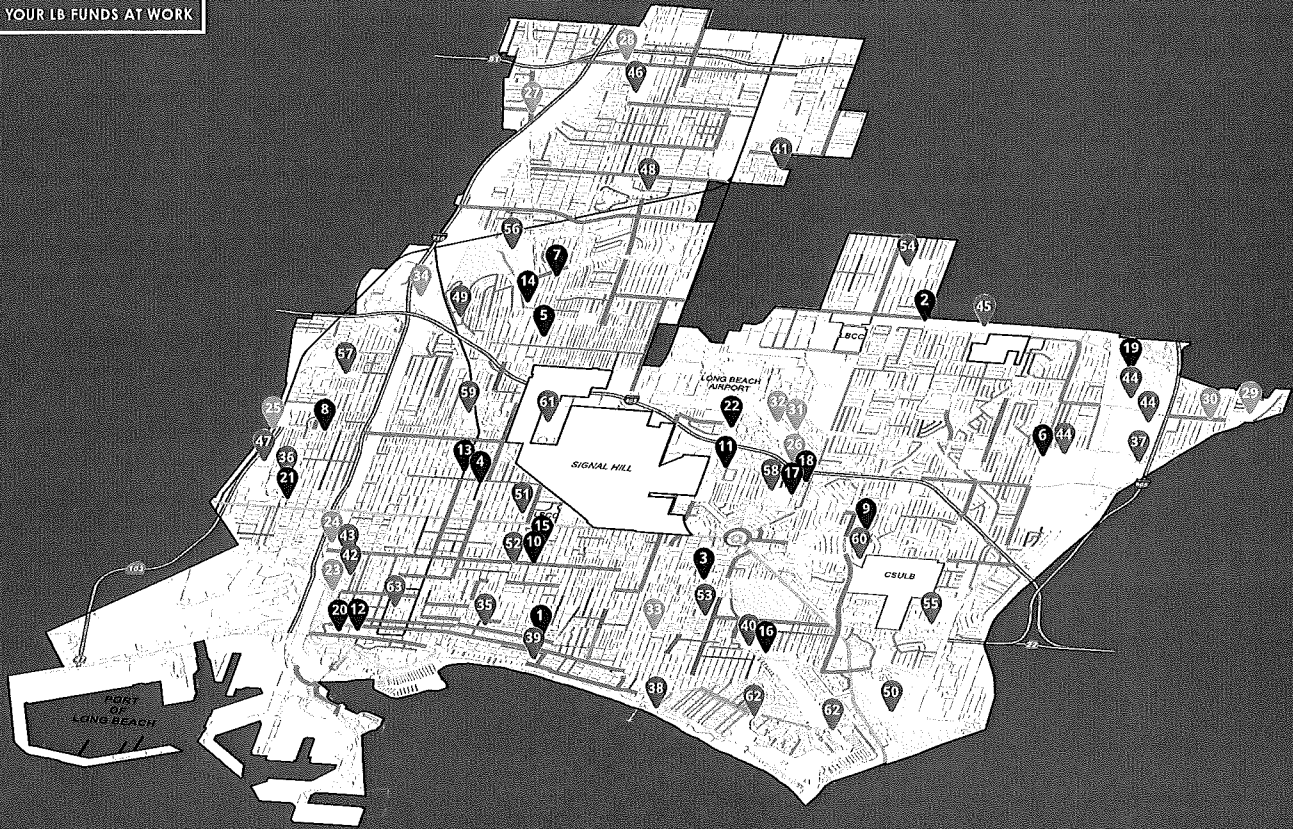
Police	
Communication Technology Infrastructure Upgrades	\$10,500,000
Police Academy Facility Rebuild*	\$15,000,000
2nd Police Academy (FY 19)	\$1,800,000
Body-Worn Cameras	\$2,000,000
Total Police	\$29,300,000

Fire	
Communication Technology Infrastructure Upgrades	\$5,000,000
Fire Academy Rebuild	\$6,500,000
HEART Team Vehicle	\$100,000
2nd Fire Academy (FY 19)	\$900,000
Total Fire	\$12,500,000
Total Infrastructure, Police, and Fire	\$55,300,000
Remaining Measure A Funds	\$0

* The Police Academy Facility Rebuild is counted as part of the infrastructure category in the CIP book.



Citywide Infrastructure Investment Plan



COMMUNITY FACILITIES

- 1 ALAMITOS LIBRARY IMPROVEMENTS
- 2 BACH LIBRARY IMPROVEMENTS
- 3 BREWITT LIBRARY IMPROVEMENTS
- 4 BURNETT LIBRARY IMPROVEMENTS
- 5 DANA LIBRARY IMPROVEMENTS
- 6 EL DORADO LIBRARY IMPROVEMENTS
- 7 EXPO BUILDING ROOF REPAIR & ADA ACCESSIBILITY
- 8 HARTE LIBRARY IMPROVEMENTS
- 9 LOS ALTOS LIBRARY IMPROVEMENTS
- 10 MARK TWAIN LIBRARY IMPROVEMENTS

PUBLIC SAFETY FACILITIES

- 11 HEALTH DEPARTMENT BUILDING IMPROVEMENTS
- 12 FIRE STATION 1 DEFERRED MAINTENANCE
- 13 FIRE STATION 7 ROOF REPAIRS
- 14 FIRE STATION 9 GENDER ACCOMMODATIONS
- 15 FIRE STATION 10 LIVING ACCOMMODATIONS
- 16 FIRE STATION 14 GENDER ACCOMMODATIONS
- 17 FIRE STATION 17 FACADE UPGRADES
- 18 FIRE STATION TRAINING CENTER GENDER ACCOMMODATIONS
- 19 POLICE ACADEMY IMPROVEMENTS
- 20 PUBLIC SAFETY BUILDING INTERIOR & FACADE IMPROVEMENTS
- 21 WEST POLICE STATION ROOF REPAIR
- 22 EMERGENCY OPERATIONS CENTER UTILITY SYSTEMS

CLEAN WATER

- 23-34 PUMP STATION 2, 3, 7, 10, 11, 13, 15, 17, 19, 20, 21, 22

PARKS & RECREATION

- 33 4TH STREET SENIOR CENTER FACILITY IMPROVEMENT
- 36 ADMIRAL KIDD PARK TURF IMPROVEMENTS
- 37 ANIMAL CARE SERVICES CAT COTTAGES
- 38 BELMONT POOL DEVELOPMENT PLANNING
- 39 BIXBY PARK COMMUNITY CENTER
- 40 COLORADO LAGOON PARK IMPROVEMENTS
- 41 DAVENPORT PARK IMPROVEMENTS
- 42 DRAKE PARK RESTROOMS & PLAYGROUND
- 43 DRAKE-CHAVEZ PARK GREENBELT RESTORATION
- 44 EL DORADO PARK RESTROOMS, TENNIS COURT & DUCK POND
- 45 HEARTWELL PARK TURF IMPROVEMENTS
- 46 HOUGHTON PARK COMMUNITY CENTER
- 47 HUDSON PARK TURF IMPROVEMENTS
- 48 JACKSON STREET PARK PLAYGROUND
- 49 LOS CERRITOS PARK PLAYGROUND & SPORTS COURT
- 50 LOS CERRITOS WETLANDS IMPROVEMENTS
- 51 M.L.K. JR. PARK CENTER UPGRADES
- 52 MACARTHUR PARK CENTER ROOF & RESTROOM REPAIR
- 53 RED CAR GREENBELT PARK DEVELOPMENT
- 54 PAN AMERICAN PARK ROOF REPAIR
- 55 RANCHO LOS ALAMITOS SEISMIC UPGRADE
- 56 RANCHO LOS CERRITOS DEFERRED MAINTENANCE
- 57 SILVERADO PARK RESTROOM UPGRADES, TURF & SPORTS COURT
- 58 STEARNS PARK CENTER ROOF REPAIR
- 59 VETERANS PARK PLAYGROUND & TURF
- 60 WHALEY PARK PLAYGROUND
- 61 WILLOW SPRINGS PARK UTILITIES

MOBILITY

- 62 2ND ST BRIDGE MAINTENANCE AND ADA ACCESSIBILITY
 - 63 CITY PLACE PARKING GARAGE SAFETY AND ACCESSIBILITY STREET
- EXISTING INFRASTRUCTURE INVESTMENT PLAN (MEASURE A AND OTHER TRANSPORTATION FUNDS)
 NEW PROJECTS (MEASURE M AND STATEWIDE GAS TAX INCREASE (SB1))
 COMPLETED PROJECTS
 CALTRANS PROJECTS

CITYWIDE EFFORTS (NOT ON THE MAP)

- ALLEY MANAGEMENT PLAN & REHABILITATION
- FIRE STATION ROOFS
- HAND DRYERS AT COMMUNITY CENTERS
- LIBRARY ROOF IMPROVEMENTS
- PARK IRRIGATION CONTROLLERS
- SMART STREET LIGHT TECHNOLOGY
- TRAFFIC SIGNAGE
- URBAN FOREST MAINTENANCE



City of Long Beach
Working Together to Serve

Memorandum

Date: August 21, 2018

To: Patrick H. West, City Manager *T.M.*

From: John Gross, Director of Financial Management *J.G.*

For: Mayor and Members of the City Council

Subject: **Mayor's FY 19 Budget Recommendation and the FY 19 Proposed Budget**

Attached for your information is additional information about the Mayor's budget recommendations - how they are incorporated into the FY 19 Proposed Budget, and what would need to be added to the Proposed Budget to fund the recommendations.

Many of the items recommended by the Mayor are already in the Proposed Budget. For those that are not, the Mayor has proposed using \$630,000 in newly-identified healthcare cost savings and \$150,000 in Special Advertising and Promotion (SAP) funds available. Only \$50,000 of the three-year funding for Partners of Parks is not incorporated in this solution but could be funded from the FY 21 Budget.

Some of the funding the Mayor described for homelessness programs is new funding and is not yet incorporated into the FY 19 budget.

The Mayor has requested that the City Manager work to strengthen the Proactive Rental Housing Inspection Program (PRHIP).

The Mayor has requested that the City Manager identify new revenue to fund the restoration, sometime in FY 19, of Engine 17 and the 6 sworn positions associated with the bike patrol. As requested, the City Manager expects to return to the City Council with proposals during FY 19.

Please do not hesitate to contact me at (562) 570-6427 or Interim Budget Bureau Manager Grace Yoon at (562) 570-6408, should you have any questions.

C:\DATA\LONG BEACH\BUDGET\FY19\BUDGET RELEASE (CM AND MAYOR)\TFF - MAYOR RECOMMENDATIONS AND FY 19 BUDGET V2.DOCX

ATTACHMENT

CC: TOM MODICA, ASSISTANT CITY MANAGER
KEVIN J. JACKSON, DEPUTY CITY MANAGER
CHARLES PARKIN, CITY ATTORNEY
LAURA L. DOUD, CITY AUDITOR
REBECCA G. GARNER, ASSISTANT TO THE CITY MANAGER
DEPARTMENT HEADS

SUMMARY OF MAYOR'S RECOMMENDATIONS AND INTEGRATION WITH THE FY 19 PROPOSED BUDGET

RECOMMENDED BY MAYOR AND NOT IN PROPOSED FY 19 BUDGET

ONE-TIMES	Mayor's Total Recommended Amount	Currently from FY 18 or in Proposed FY 19 Budget	Potential New Funding		Notes
			General Fund	Other Funds	
Justice Fund	250,000	100,000	150,000		\$100,000 potentially set aside in FY 18
Expungement Fund (marijuana misdemeanors)	200,000		200,000		
Training and Education re LGBTQ and Bullying	100,000		100,000		
Partners of Parks Management Support	150,000		100,000		\$50,000 additional proposed from FY 21 budget
Additional support for Language Access Plan	160,000	80,000	80,000		\$80,000 already in proposed FY19 budget
MOLAA's facilities master-plan efforts	150,000			150,000	
Healthcare cost savings			(630,000)		Uses newly estimated health care savings
Special Advertising and Promotions Fund Funds available				(150,000)	From SAP funds available
	1,010,000		-	-	

STRUCTURAL	Notes
Combat Poor Living Conditions - The City Manager should work with our property owners and community and strengthen our Proactive Rental Housing Inspection Program, preventing properties from falling into disrepair and fixing slum properties.	Potential approach to be brought to Council by Staff in August
Restore Engine 17 and Bike Team - The City Manager to identify new revenue sources to restore Engine 17 and to restore a Community Rapid Response Bike Team of six new police officer positions this year.	Restoration approaches will be brought to City Council sometime in FY 19. About \$4 m annually

MENTIONED BY MAYOR AND IN PROPOSED FY 19 BUDGET

ONE-TIMES	Notes
New Youth Fund through Participatory Budgeting	\$200,000 in General Fund one-times
City Prosecutor funding for code enforcement efforts	\$150,000 in General Fund one-times
Animal Coordinator	\$120,000 in General Fund one-times. Mayor's message says \$100,000
Arts Council	\$50,000 in Special Advertising and Promotions Fund one-times

STRUCTURAL	Notes
Four new Quality of Life Police Officers	2 funded by Measure A, 2 funded by METRO
Two Firefighters for a Heart Team	Funded by Measure A
7-day access to Libraries	Operations/Hours adjusted at no net new cost
1 Percent for Arts Program	Continues the current program
Long Beach Museum of Art	Adds \$50,000 in ongoing City support
Arts Council	Adds \$25,000 in ongoing City support

MENTIONED BY MAYOR AND ALREADY A PART OF THE MEASURE A PLAN IN THE PROPOSED FY 19 BUDGET

The following items are recommended uses of unallocated Measure A funds anticipated to be received FY 18 through FY 23

\$41 million in funding to rebuild the Police and Fire academies, for body worn cameras, and for public safety communication technologies <i>Items below are mentioned in Mayor's slides</i>	\$41.8 m planned for PD/FD through FY 23. \$1.7 m of this is programmed in FY 19.
\$13.4 million in additional street, sidewalk, park,	\$300,000 of this is programmed in FY 19
\$21.5 million to rebuild Police and Fire Academies	Majority of funds available in FY 22
\$15.5 million to upgrade communication technologies for Fire and Police Departments	Majority of funds available in FY 22
Funding for additional academies	\$400,000 of the unallocated funds included in FY 19 for PD (adds to \$1.7 m previously planned for academies in FY 19 for a total of \$2.1 m); \$900,000 of unallocated included in FY 19 for FD.

MENTIONED BY MAYOR FOR HOMELESSNESS RELATED SERVICES

MAYOR'S COMMENTS IN RECOMMENDATION LETTER	Notes
\$12.3 million in one-time funds from the State	New funding from the State, not in budget
\$3.4 m in capital funding for year-round home shelter	Expected from County for tenant improvements, not in budget
\$2.6 m annually from LA county measure H	Annual funding to benefit City from 0.5 cent sales tax, included in the budget
Above funding intended by Mayor for support and implementations of recommendations from the Everyone Home Long Beach taskforce. New programs will include Everyone Home Innovation Grants, a new fund for community organizations and neighborhood groups to assist in the goal of reducing street homelessness, and funding a new Clean Team, that will employ people experiencing homelessness to clean our communities. It will also create new efforts to engage the public in preventing homelessness through parking meter donations and related efforts."	