

FY 23 Budget Adoption Night City Council Actions Budget Oversight Committee Recommendations

September 6, 2022

Adopt the Budget Oversight Committee's proposed funding recommendations, as amended, to the Proposed FY 23 Budget. (A-2)

Motion:

- A. Motion to support Mayor Garcia's proposed budget recommendations utilizing funds made available through Long Beach Recovery Act, under the Securing our City's Future category, anticipated to be available at the end of FY 22 due to improved FY 22 projections. These adds total to \$1.275 million. Of this amount, the structural costs (or costs that will continue into future fiscal years) total to \$125,000; the structural costs will be funded temporarily with this one-time source in FY 23 and will need additional solutions for FY 24 and beyond.
- A1. Motion to add additional annual funding through Measure B at Tier II for the Cambodian American Cultural Center and Latino Cultural Center (providing these Cultural Centers with annual funding at the same level as the African American Cultural Center—as well as the South Coast Chorale LGBT chorus). Direct the City Manager to place a moratorium on any additional programs funded through Measure B for the next three years, at which time a review can be done to measure the effectiveness of Measure B investments.
 - A2. Motion to direct the City Manager to formalize and expand the City's program to waive or offset parking citations for people experiencing homelessness in order to help reduce barriers to housing and services.
 - A3. Motion to add one-time funds of \$50,000 in the General Fund Group in the City Manager's Department for the Long Beach Heritage Coalition to support preservation initiatives.
 - A4. Motion to add one-time funds of \$400,000 in the General Fund Group in the City Manager's Department to support a joint project between the African American Cultural Center (AACC) and VIP Records. The funding will be allocated as follows:
 - \$150,000 invested into AACC for the purposes of creating a cultural exhibit highlighting the impact of Hip Hop in Long Beach and the United States
 - \$250,000 for the restoration of the historic VIP Records sign
 - A5. Motion to add one-time funds of \$300,000 in the General Fund Group in the Economic Development Department to fund the Long Beach Economic

FY 23 Budget Adoption Night City Council Actions Budget Oversight Committee Recommendations

September 6, 2022

Partnership for business attraction and citywide marketing activities to be spent over two years.

- A6. Motion to add one-time funds of \$100,000 in the General Fund Group in the City Manager's Department to support the development of a LGBTQ+ cultural center and museum.
- A7. Motion to add one-time funds of \$300,000 in the General Fund Group in the Health and Human Services Department to support pre-K tuition assistance, technology and administration by partnering with the Long Beach Early Childhood Education partnership.
- A8. Motion to add structural funds of \$125,000 in the General Fund Group in the City Manager's Department for a full-time education officer position created to be responsible for supporting the Long Beach College Promise and other education initiatives undertaken by the City.
- B. Motion to add one-time funds of \$2 million in the General Fund Group in the Citywide Activities Department for a retention incentive for non-sworn positions/employees, and direct the City Manager to develop an approach for these funds to be distributed in FY 23. The impact on other funds is estimated at approximately \$3.8 million, bringing the total All Funds impact to \$5.8 million. The General Fund portion of the cost will be funded utilizing funds made available through Long Beach Recovery Act, under the Securing our City's Future category, anticipated to be available at the end of FY 22 due to improved FY 22 projections. In addition to the Mayor's recommendation, total funds utilizing Long Beach Recovery Act funds made available due to improved projections is \$3.275 million.
- C. Motion to add the following structural and one-time enhancements utilizing the \$2 million Critical Needs Reserve that was included in the Proposed FY 23 Budget to address unexpected labor and other critical needs. These adds total to \$1,990,234. Of this amount, the structural costs (or costs that will continue into future fiscal years) total to \$1,340,234; these costs will be funded temporarily with this one-time source in FY 23 and will need additional solutions for FY 24 and beyond.
 - C1. Motion to add structural funds of \$1,100,000 in the General Fund Group in the Financial Management Department with a one-time negative placeholder of \$200,000 for a net impact of \$900,000 to enforce the Healthcare Workers Minimum Wage Ordinance approved by City Council in FY 22. This funding would include materials budget and staffing support for four positions as follows: Administrative Analyst III, Administrative Analyst II, Clerk Typist III, and a Minimum Wage Investigator/Inspector (which will require the creation of a new job classification, similar to Business License Inspector). The full cost of these positions and material support total \$1.1

FY 23 Budget Adoption Night City Council Actions Budget Oversight Committee Recommendations

September 6, 2022

million but temporary savings of \$200,000 has been included to account for an onboarding-transition period.

- C2. Motion to add structural funds of \$440,234 in the General Fund Group in the City Manager's Department to add three positions as directed by City Council to support the Citizen Police Complaint Commission (CPCC) prior to a potential charter amendment. These positions include a Special Projects Officer, a Communications Officer, and an Executive Assistant.
- C3. Motion to add one-time funds of \$100,000 in the General Fund Group in the City Manager's Department to provide additional support for Ethics Commission needs and improved response to Public Records requests to facilitate ethics and transparency, such as temporary staffing support or materials.
- C4. Motion to add one-time funds of \$450,000 in the General Fund Group in the Citywide Activities Department to be divided equally between the City Council Districts for District Priorities and in conformance with the existing guidelines for use of District Priority Funding.
- C5. Motion to add one-time funds of \$100,000 in the General Fund Group in the City Prosecutor's Department to support the Priority Access Diversion program and Neighborhood Impact Prosecution.
- D. Motion to add one-time funds of \$200,000 in the General Fund Group in the City Manager's Department to support the efforts of the Justice Fund, funded by the carryover of anticipated savings within the Justice Fund budget in FY 22. These funds along with the structural operating budget of \$300,000 plus \$300,000 allocated to the Justice Fund in the Long Beach Recovery Act, will bring total resources for the Justice Fund to \$800,000 in FY 23.
- E. Motion to reduce the adult-use and medical cannabis cultivation and retail taxes for equity businesses, and direct City Manager to come back to City Council with a report on how a potential rebate program would work where any revenues above \$12 million would be rebated back to businesses who paid taxes with a prioritization on rebating back to cultivation businesses, along with an updated projection report to City Council on the status of cannabis revenues This action will promote equity goals while not resulting in revenue loss from the proposed budget.
- F. Motion to utilize \$250,000 of Long Beach Recovery Act funds, originally allocated to Library Services to waive library fines, to go towards a temporary increase in library hours in FY 23. These funds can add five Monday hours at two branches (Michelle Obama and El Dorado) through overtime with existing staff. This will result in two locations increasing service to six days, with service hours at these locations

FY 23 Budget Adoption Night City Council Actions

Budget Oversight Committee Recommendations

September 6, 2022

increasing from 34 to 39 hours. Note that the elimination of fines has already been implemented and incorporated as a policy change within the FY 23 budget and thus this reallocation of Long Beach Recovery Act funds do not impact the waiving of library fines.

- G. Motion to add one-time funds of \$100,000 in the Tidelands Operating Fund Group in the Fire Department to provide additional resources to support lifeguard and marine safety operations, particularly to address the quality of life and security issues in the Alamitos Bay area, funded by anticipated FY 22 year-end savings in the fund.
- H. Motion to add structural funds in the amount of \$2,975,570 in the Insurance Fund Group in Human Resources Department, offset by a reduction of \$2,975,570 from the Insurance Fund in the City Attorney's Office. This change reflects the transfer of the Workers' Compensation Claims Division from the City Attorney's Office to the Human Resources Department under the Risk Management Bureau. A total of 18 positions will be transferred. The merge will allow for opportunities to improve operations, streamline processes, and increase overall services to our City employees. This action has no bottom-line change to the Insurance Fund.
- I. Motion to direct the City Manager to include the following items as high priority projects to be considered for funding using any FY 22 year-end surplus resources from the Long Beach Recovery Act, General Fund, Measure A, and/or any other sources as relevant if available. The City Manager should include the status of funding these projects as part of the FY 22 Year-End Performance Report and in the context of available surplus funds and other priority needs and projects. The following list is not in any priority order and approximate amounts and potential funds included for some items, but actual funding source and amount presented in the year-end report may vary higher or lower depending on the situation at that time:
 - I1. One-time funds of \$400,000 in the General Fund Group in the Library Department to provide further support for materials. This would add to the \$800,000 currently in the FY 23 Budget (\$400,000 structural and \$400,000 one-times), which could bring the total to \$1.2 million.
 - I2. One-time funds of \$200,000 in the General Fund Group in the City Manager's Department to further support the Language Access Program needs. This will add to the structural funding of \$345,000 in the Proposed FY 23 Budget for the Office of Equity that supports language access needs citywide and received a structural increase of \$20,000 in the FY 23 Budget to meet the increased demand of interpretation and translation services. The Long Beach Recovery Act has also allocated \$750,000 to support language access, specifically two in-house interpreters (in Spanish and Khmer) and one full-time language access coordinator. In addition, separate from the Office of Equity, individual departments' operating budget

FY 23 Budget Adoption Night City Council Actions Budget Oversight Committee Recommendations

September 6, 2022

may support language access needs, such as bilingual skill pays for eligible employees.

- I3. One-time funds of \$100,000 in the General Fund Group in the City Manager's Department to support the Fireworks Enforcement Team working to mitigate the illegal use of fireworks and explosives in Long Beach.
 - I4. One-time funds of \$150,000 in the General Fund Group in the Health and Human Services Department for any necessary feasibility studies or pilot programs to support increased access to reproductive health in response to the overturning of *Roe v. Wade*.
 - I5. One-time funds of \$150,000 in the General Fund Group in the City Manager's Department to supplement the Measure B (TOT) revenues that are then allocated to the Convention Center, arts organization, and cultural centers.
 - I6. One-time funds of \$50,000 in the General Fund Group in the Economic Development Department to support the Pacific Corridor activation that takes into consideration prior activations and successes including investments such as event signage.
 - I7. One-time Measure A funds of \$400,000 in the General Fund Group in the Citywide Activities Department to transfer to the Capital Projects Fund Group in the Public Works Department to support the Bluff Park Historic Lamps project. \$300,000 of funds was already included as part of the 5-year infrastructure plan in the FY 23 Budget and \$400,000 would bring the total to the \$700,000 needed to complete the project.
 - I8. One-time Measure A funds of \$1 million to further support alley repairs through pavement sealing, asphalt overlays, and full reconstruction throughout the City.
 - I9. One-time Measure A funds of \$200,000 for additional funding to improve the Hudson Park Playground, bringing the total funding to \$800,000 with \$600,000 already included as part of the 5-year infrastructure plan.
- J. Motion to direct the City Manager to develop, finalize, and implement plans for a new Talent Acquisition Division in the Human Resources Department with potentially five to seven Human Resources employees with a projected annual cost ranging from \$695,000 to \$965,000. Costs in FY 23 can be funded out of the City's Employee Benefits Fund, which will recoup its cost in future years with increased department

FY 23 Budget Adoption Night City Council Actions

Budget Oversight Committee Recommendations

September 6, 2022

charges citywide. Staff should evaluate and finalize the best approach and return to City Council in a Budget Adjustment Letter with request for increased appropriation.

- K. These recommendations strived to minimize structural enhancements as much as possible as the General Fund is still projecting a structural shortfall situation for FY 23, anticipated to be covered using one-time funding sources. Any structural costs added or reductions to structural revenues will add to the projected shortfall in FY 24 unless a structural offset is identified and approved for reduction.