



Long Beach Water

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Christopher J. Garner
General Manager

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April 19, 2022

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached resolution decreasing appropriations in Fiscal Year 2021-2022 (FY 22) in the Water Fund Group in the Water Department by approximately \$9,000,000. (Citywide)

DISCUSSION

The Long Beach Board of Water Commissioners adopted the Water Department's Fiscal Year 2021-2022 (FY 22) Budget on June 24, 2021, which represented the planned expenditures and projected revenues needed to execute the Department's mission for the next fiscal year. The City Council subsequently approved a resolution approving the Water Department's FY 22 Budget on August 24, 2021.

In December 2021, an appellate court ruled against the City of Long Beach in a lawsuit challenging the legality of the City's Measure M charter amendment. On March 25, 2022, the California State Supreme Court denied a petition to review the Measure M appellate court decision. As a result, the City is required, among other things, to transfer \$9 million to the Water Fund within 30 days after the denial. The Department has terminated the Measure M transfer to the City, and will lower the current budget appropriation in the Water Fund by approximately \$9 million, reflecting the difference between the transfer amount previously authorized by Measure M and the transfer amount currently authorized by applicable law and supported by approved nexus studies.

TIMING CONSIDERATIONS

City Council action on this matter is required within 30 days of the State Supreme Court's decision to not hear the City's Measure M appeal.

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FISCAL IMPACT

The Water Department has ceased the Measure M transfer to the General Fund. The ongoing reduction in the transfer will decrease the Water Fund's expenses. The impact upon the reserve balance will then be factored by the Board of Water Commissioners into future budget and rate deliberations.

SUGGESTED ACTION:

Approve Recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER
GENERAL MANAGER OF LONG BEACH WATER

Attachments: Adopted Water Commission Resolution WD-1461
City of Long Beach Resolution



1 RESOLUTION NO. WD-1461

2
3 A RESOLUTION OF THE CITY OF LONG BEACH
4 BOARD OF WATER COMMISSIONERS ADOPTING THE
5 AMENDED AND RESTATED ANNUAL BUDGET FOR THE
6 LONG BEACH WATER DEPARTMENT FOR THE FISCAL
7 YEAR 2021-2022

8
9 The Board of Water Commissioners of the City of Long Beach resolves as
10 follows:

11 Section 1. That the annual department budget of the Long Beach Water
12 Department for the fiscal year 2021-2022, is hereby adopted as follows:

13
14 WATER

15	Estimated Fund Balance 10-1-2021	\$10,423,987
16	Estimated Revenues	<u>\$160,137,095</u>
17	Total Estimated Resources	\$170,561,081
18	Estimated Expenditures	<u>\$150,479,335</u>
19	Estimated Fund Balance 9-30-2022	\$20,081,746

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21 SEWER

22	Estimated Fund Balance 10-1-2021	\$9,159,521
23	Estimated Revenues	<u>\$19,413,851</u>
24	Total Estimated Resources	\$28,573,372
25	Estimated Expenditures	<u>\$23,366,784</u>
26	Estimated Fund Balance 9-30-2022	\$5,206,588

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28 The most up to date current year estimated expenditures and revenues are

1 included in the estimated fund balances and were provided in detail at a Special Board
2 Meeting held on May 13, 2021. Detailed schedules and other data which accompany the
3 budget are provided for information purposes only and are not intended to limit
4 expenditures.

5 Section 2.

6 This resolution shall take effect immediately upon its adoption by the Board of Water
7 Commissioners, and the Secretary of the Board shall certify to the passage of this
8 resolution, and cause copies of the same to be filed with the City Council, the City Auditor
9 and the City Manager.

10 I hereby certify that the foregoing resolution was adopted by the Board of
11 Water Commissioners of the City of Long Beach, at its meeting of March 31, 2022, by the
12 following vote:

13 Ayes: Commissioners: ROBERT SHANNON, GLORIA CORDERO,
14 FRANK MARTINEZ, NAOMI RAINEY

15 _____
16 Noes: Commissioners: _____

17 Absent: Commissioners: _____

18 _____
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20 _____
21 Secretary
22 Board of Water Commissioners
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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH APPROVING THE AMENDED AND
RESTATED ANNUAL BUDGET FOR THE LONG BEACH
WATER DEPARTMENT FOR THE FISCAL YEAR 2021-2022

WHEREAS, the amended and restated annual budget of the Long Beach
Water Department for the 2021-2022 fiscal year was adopted by the Board of Water
Commissioners at its meeting on March 31, 2022 by Resolution No. WD-1461; and

WHEREAS, it appears advisable to approve the amended and restated
budget, pursuant to the provisions of Section 1405 of the Charter of the City of Long Beach;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as
follows:

Section 1. That the amended and restated annual budget of the Long
Beach Water Department for the 2021-2022 fiscal year adopted by the Board of Water
Commissioners at its meeting on March 31, 2022 by Resolution No. WD-1461, is hereby
approved pursuant to the provisions of Section 1405 of the Charter of the City of Long
Beach.

Section 2. The City Clerk shall file a certified copy of the budget, as
approved, with the Board of Water Commissioners and the City Auditor.

Section 3. This resolution shall take effect immediately upon its adoption
by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City Council
of the City of Long Beach at its meeting of _____, 2022 by the
following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk