

Mayor's Budget Recommendations

Fiscal Year 2011

Presented July 23, 2010



July 23, 2010

Members of the City Council:

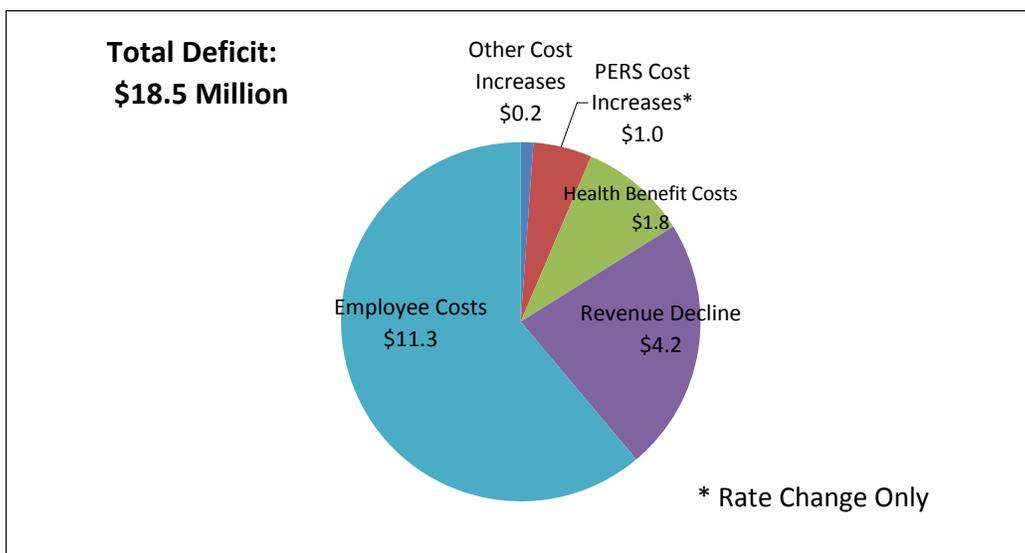
Pursuant to the City Charter, the following letter serves as the transmission of the City budget to the Council.

There are encouraging signs in the national and regional economy that perhaps the worst is over. In that, there is reason for general optimism.

But there are frustratingly persistent unemployment rates and a housing market that while in recovery, is years away from stability, let alone matching its euphoric rates of the past several years. Those two metrics are particularly important to the fiscal health of cities and counties in California.

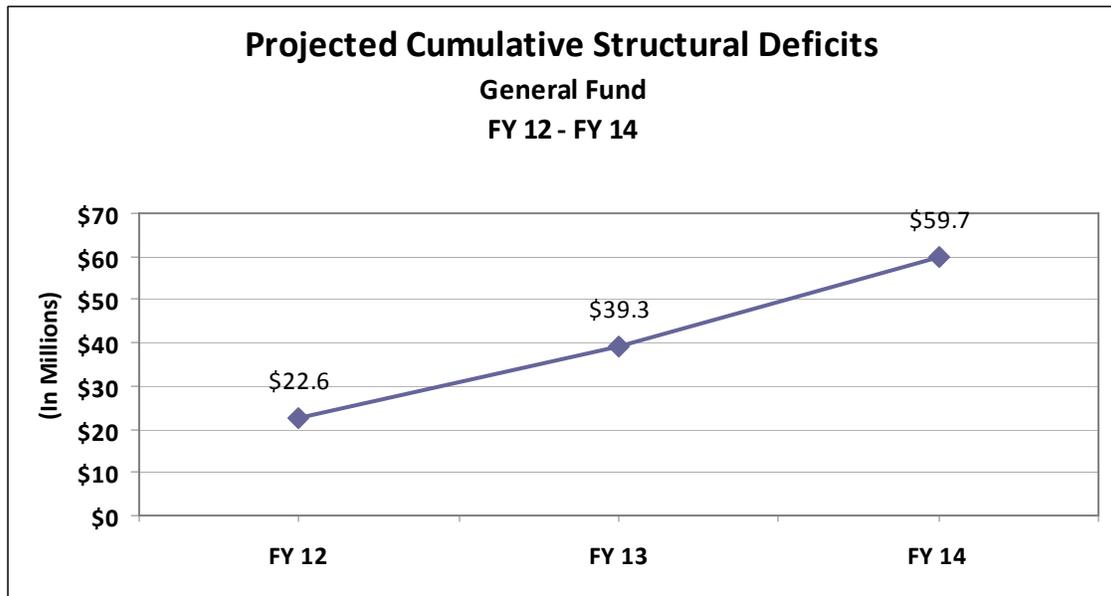
Presently, both metrics continue to under perform and create a tremendous lag on the City's finances; less employment drives down spending and decreases sales tax revenue while property tax returns from a depressed housing market may prove to be the very last to recover from the 2008 financial crisis.

I applaud the City Manager for developing a plan that balances economic challenges and the impact on services to our residents. In particular, protecting the Budget Stabilization Fund is a prudent and sound long-term financial decision. But of no surprise, the City is faced with increasing expenses and we will again have to cut costs to balance our budget.



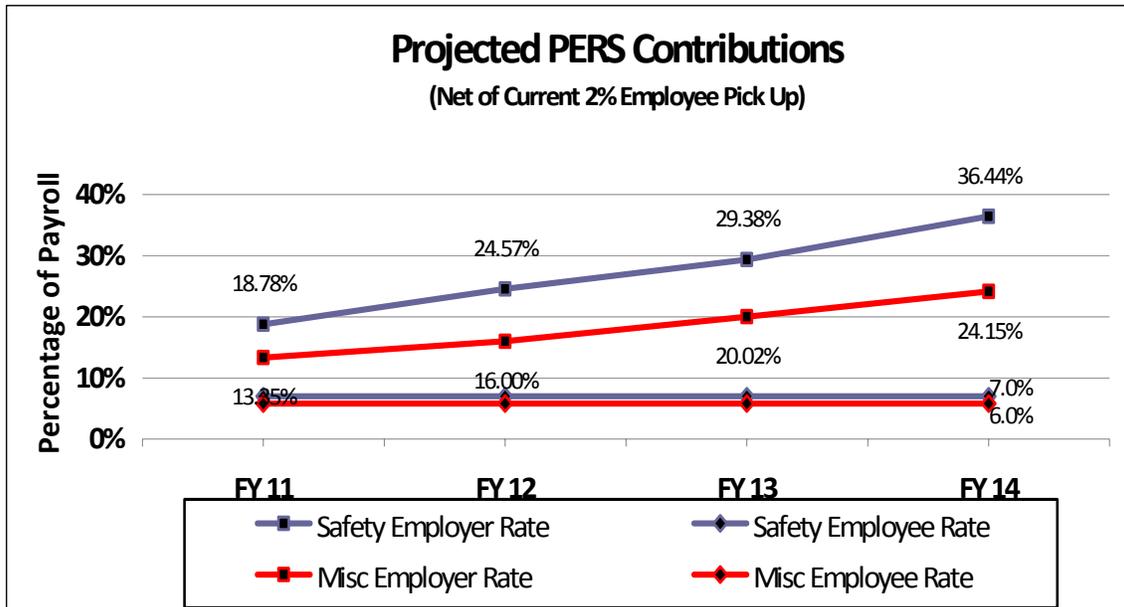
In reviewing this year's proposed budget over the past three weeks and in open session for the past several months, it has become increasingly clear to me that there is little choice left in the General Fund to curb expenses and erase the \$18.5 million deficit – with all cost elements considered, we currently spend over 80¢ of every dollar on labor costs and that number will likely grow to 90¢ by 2014.

In more detailed review of those personnel costs, the market losses suffered by the California Public Employees Retirement System (PERS) over the past two years, \$72.2 billion or 30% of its assets, will profoundly increase the City's expenses over the next several years, leading to cumulative annual deficits over the next four years of \$60 million.

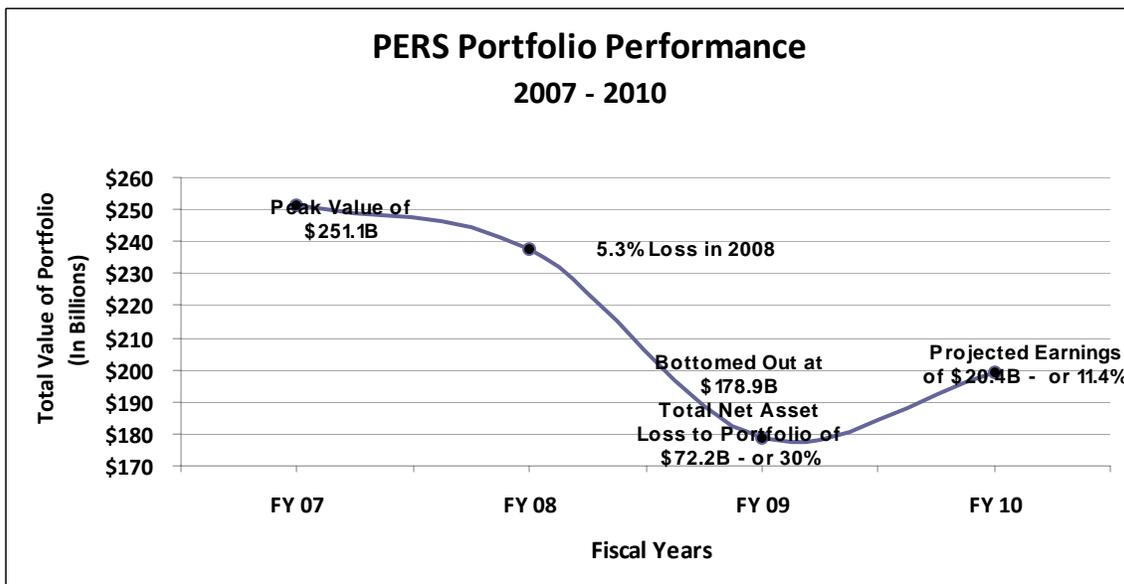


The statewide PERS formula makes up for any market loss by increasing the employer share of the pension costs.

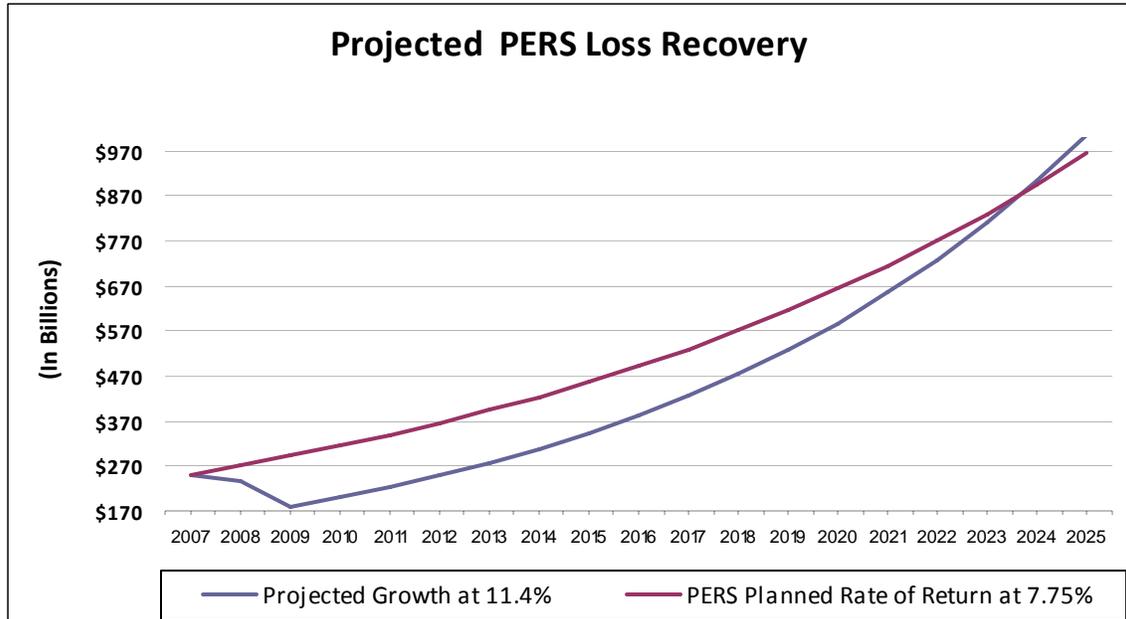
Public safety pension costs, if un-addressed by reform, will rise from 26.6% to over 45% of the City's police and fire payroll costs by 2014. No organization, including this City, could sustain these cost increases. We will soon have no capacity in our General Fund beyond paying for personnel expenses. It is neither right nor fair to make public employees the scapegoats but the current benefits are generous and the numbers are very clear: these pensions are not sustainable.



PERS' 11.4% preliminary earnings for the year are encouraging, but it is unreasonable to expect that consistent level of growth year after year.



The red line below demonstrates PERS required rate of return (7.75%) to meet their obligations before their investment losses. Given the depth of those losses, even with the unrealistic growth rate from 2010, as shown by the blue line, PERS will not break even until 2024. It is a long, steep climb indeed.



It is time to get back to taking a three or four year look at our finances and devise a plan that brings reasoned austerity and longer term stability that will allow all of us, employees and policy makers, to plan for the future. Going through this process year in and year out and somehow expecting that there will be a different result is nothing short of fiscal insanity.

I am concerned that the negative impacts of continuing to budget on an annual basis is increasing frustration for employees and debilitating the capacity of policy makers to plan over a significant time horizon.

The annual ritual is emblematic of death by a thousand cuts and has the added consequence of perpetuating what I have often referred to as the “armed camp” scenario: as structural reductions disproportionately fall on non-public safety programs and departments, an ever-increasing percent of the general fund is diverted from parks, libraries and street repair; the quality of life programs that provide the foundation for a safe community. At nearly 70% of the budget, left unchecked, public safety costs run the risk of debilitating every other function of city government.

So, what can we do to change our present course? We must find a way to build a framework for stability.

First, most experts believe this will be a slow recovery and potentially a jobless recovery. We cannot "wait" for the economy to improve.

Second, because of a lag in revenues, even a recovery will not result in substantial increases in revenue for some time. Finally, any increases will be more than erased by increases in PERS costs to cover in large part for the losses of the last two years.

I believe that by working with our employee groups and our management we can make the necessary reforms to change our course and put us on the path to healthy finances. We can also provide employees with certainty and stop the constant cycle of renegotiations that has had the effect of rendering their contracts largely meaningless. We can create a framework to increase public confidence in their city government and institute true reform more in line with the realities we face.

What I propose is the following:

First, all contracted salary increases due over the next three years will be applied to the employee's share of their pension costs. Instead of money in a paycheck now, it's money in their PERS bank for later.

Those contracts include compensation from the City in the form of a "pick up" on the majority of the employee's share of pension costs. The City, as the employer, picks up the rest.

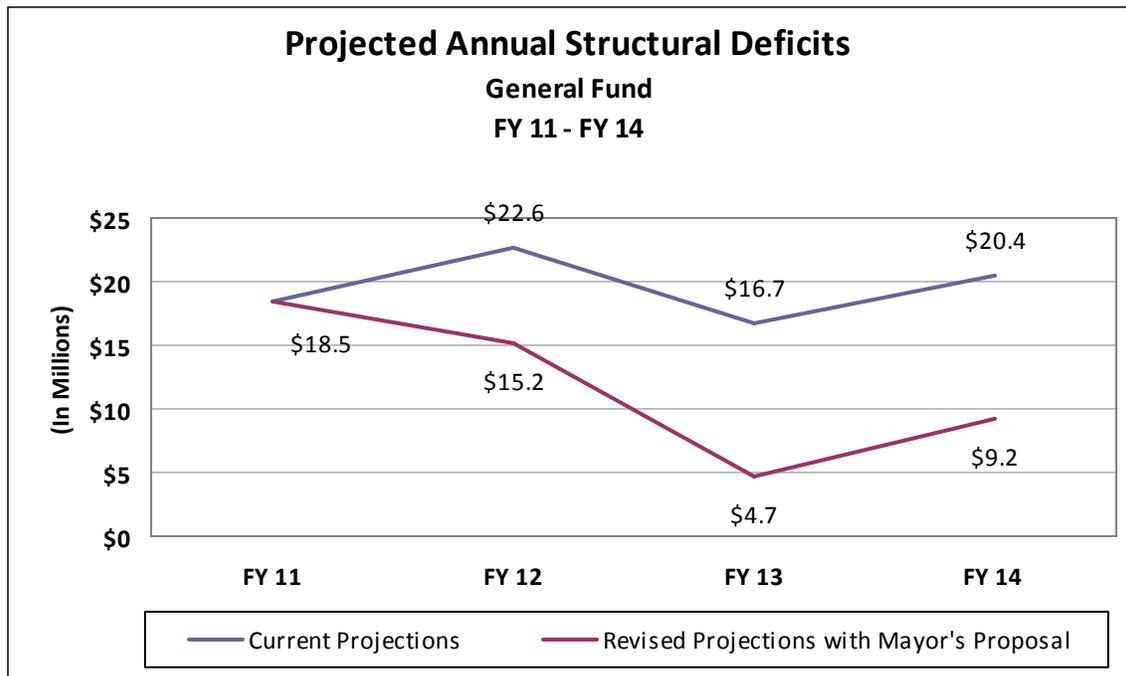
For example, an employee pays 2% of the 8% that PERS determines as the "employee share;" the City covers the other 6% in addition to the entire "employer" portion. In the proposal I am outlining here, the contractually obligated raises would be applied to the employee share of the pension costs until the full 8% is achieved. In short, their raises pay for their PERS costs.

Secondly, any negotiated salary increases beyond the maximum employee share would be frozen through 2014.

Finally, while benefits for existing employees cannot be altered under state law, we must institute less generous benefits for new employees to provide fair, albeit less generous, pension formulas.

Current and Proposed PERS Tiers for New Employees		
	Current	Proposed
Safety	3% @ 50	2% @ 55
Non-Safety	2.5% @ 55	2% @ 60

If these reforms begin in FY11, we would not only bring next fiscal year into balance but also reduce the projected deficits in the out-years to more manageable levels.



Slow revenue growth and increasing costs will mean there are still shortfalls, but these are far more manageable levels that I would look to achieve without further concessions from employee groups.

It will build public confidence that our fiscal and retirement house is in order, maintains public safety as our top priority, stems the erosion of the core quality of life programs delivered through parks, libraries and infrastructure improvement while setting the stage to hand a sound budget to the next City Council in FY15.

This plan does not solve every problem we face, and there is still much work to do to balance our finances. It does, however, make it possible to produce balanced budgets and get our future costs under control. I am more than open to other ideas and plans, insofar as they solve for more than the current year and gain measurable reforms to our pension system to address our unsustainable cost growth at the source.

This is not the job we all envisioned when we ran for public office or signed on to serve the residents of this City. But it is our responsibility to make significant reforms and produce a framework of stability and a future bright in a prudent and workable financial structure. In that will be the true measure of our service to the public.

Fiscal Year 2011 City Council-approved Amendments
BUDGET OVERSIGHT COMMITTEE RECOMMENDATIONS (as amended by the City Council)

RESTORATIONS	AMOUNT	OFFSETS	AMOUNT
General Fund			
Restore 1 Pothole Truck	\$ 297,827	Refuse Fund Transfer for Pothole Truck	297,827
Restore Funding for Arts Council	25,000	Multiservice Center Reduced Transfer/Rent	(207,000)
Family Learning Center Restoration	107,000	Reduction in TS MOU with Library	(107,000)
Crossing Guards	907,884	Revenue for Passport Services	20,000
Council Meeting Interpretor and Laserfiche Services	20,000	Library Swap for Arts Council Restoration	(25,000)
Attorney's Union Savings Towards PLAN B	53,887	Contract for Crossing Guards Reduced	(907,884)
Auditor's Union Savings Towards PLAN B	32,868	Removal of PLAN B for Attorney Union Savings	(53,887)
		Removal of PLAN B for Auditor Union Savings	(32,868)
		Mayoral Veto	(2,732,685)
General Fund Restorations/Additions	\$ 1,444,466	Total Offsets	\$ (3,748,497)
Tidelands Fund			
Aquarium Reinvestment	\$ 100,000	Funding from Port for Fireworks	\$ 75,000
Municipal Band Restoration	33,429	Auditor's Union Contract Savings	(8,035)
Lifeguard Restoration: West/East Beaches & Orizaba	48,227		
Marine Safety Officer	101,773		
Fireworks Show	75,000		
Tidelands Fund Restorations/Additions	\$ 358,429	Total Offsets	\$ 66,965
General Services Fund			
	\$ -	Family Learning Center MOU reduction	\$ (107,000)
General Services Fund Restorations/Additions	\$ -	Total Offsets	\$ (107,000)
General Grants Fund			
Family Learning Center from Workforce	\$ 75,000	Family Learning Center	\$ 32,000
Family Learning Center	107,000		
General Grants Fund Restorations/Additions	\$ 182,000	Total Offsets	\$ 32,000
Special Advertising and Promotions (SAP) Fund			
Parade Funding	\$ 70,857	Parade Funding	\$ 50,000
Municipal Band - Pass the Bucket	40,000	Municipal Band - Pass the Bucket	40,000
Municipal Band -Money from the Port	50,000	Municipal Band -Money from the Port	50,000
Special Advertising and Promotions Fund Restorations/Additions	\$ 160,857	Total Offsets	\$ 140,000
Health Fund			
	\$ -	Multiservice Center Revenue Loss	\$ (103,500)
Health Fund Restorations/Additions	\$ -	Total Offsets	\$ (103,500)
Refuse Fund			
Refuse Fund transfer for Pothole truck	\$ 297,827		
Refuse Fund transfer to replace Measure R for streets	102,174		
Refuse Fund Restorations/Additions	\$ 400,000	Total Offsets	\$ -
Capital Projects Fund			
Refuse Fund transfer for local streets	\$ 102,174	Refuse Fund transfer for local streets	\$ 102,174
Capital Projects Fund Restorations/Additions	\$ 102,174	Total Offsets	\$ 102,174

Fiscal Year 2011 City Council-approved Amendments
 BUDGET OVERSIGHT COMMITTEE RECOMMENDATIONS (as amended by the City Council)

RESTORATIONS	AMOUNT	OFFSETS	AMOUNT
Transportation Fund			
Reduce Measure R funding for streets replaced by Refuse Fund transfer	\$ (102,174)	Reduce Measure R funding for streets replaced by Refuse Fund transfer	\$ (102,174)
Transportation Fund Restorations/Additions	\$ (102,174)	Total Offsets	\$ (102,174)
Employee Benefits Fund			
	\$ -	Auditor's Union Contract Savings	\$ (4,322)
	-	Attorney's Union Contract Savings	(9,246)
Employee Benefits Fund Restorations/Additions	\$ -	Total Offsets	\$ (13,568)
Insurance Fund			
	\$ -	Attorney's Union Contract Savings	\$ (91,062)
Insurance Fund Restorations/Additions	\$ -	Total Offsets	\$ (91,062)



MAYOR BOB FOSTER

CITY OF LONG BEACH

FISCAL YEAR 2011 VETO MESSAGE

September 19, 2010

Pursuant to section 1704 of the Long Beach City Charter, I am hereby transmitting my line item veto on the following items:

- \$2.7 million of general fund spending achieved through a 1% reduction in general fund expenses of each department, including elected officials and modified for the Police and Fire Departments.

Within the Police Department and Fire Department budgets, the reduction will be 1% of the non-sworn and overtime costs (\$650,671 and \$54,928 respectively) and a .5% reduction in each department's budgeted overtime costs (\$610,039 and 337,689 respectively). This action will formalize the City Manager's direction to "manage to 99%" of budget in light of the uncertainties in revenue in the general fund.

- \$60.432 million in the Harbor Department's capital outlay budget related to construction of the new administration building. Not only has the Harbor Department committed to seek out less costly office space for their staff but these funds can now be utilized in delivery of the core mission of the Harbor Department. Any costs for the maintenance yard re-location related to the Desmond Bridge re-build can be appropriated through a first quarter budget adjustment reflecting the modified amount brought to the Council.

I also want to thank the Harbor Department for its continued support of its mission as a Trustee for the State Tidelands, specifically the acceleration of the tidelands fund transfer and the Aquarium debt repayment.

Mayor Bob Foster

City Manager's Budget Message

Fiscal Year 2011

July 1, 2010

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

SUBJECT: Fiscal Year 2011 Proposed Budget

Transmitted herewith is the City of Long Beach's Fiscal Year 2011 (FY 11) Proposed Budget. The \$2.5 billion proposed budget comprises 22 departments and 38 funds throughout the City providing a vast array of services to residents, businesses and visitors alike. As I prepared what is my third budget as your City Manager, I was constantly reminded of the tenuous state of government affairs. I could not escape the reality of the \$1.6 trillion federal government deficit, the State of California's \$19.1 billion budget deficit, the City of Los Angeles' \$485 million deficit and continued fiscal uncertainty for countless state and local governments nationwide. More than anything however, this calamitous environment reminds me of how proud I am to be part of the City of Long Beach.

We most certainly have our own fiscal challenges to surmount, including an \$18.5 million projected structural deficit in the General Fund in FY 11 and several other Funds struggling with expenses that are outpacing their revenues. I am nonetheless grateful to have the strong and unwavering leadership of the Mayor and City Council to establish, and continue to preserve, a strong tradition of fiscal sustainability: making difficult decisions when needed; proactively addressing long-term and structural financial issues; shunning accounting gimmicks that give false impressions of balanced budgets; and, partnering broadly with all stakeholders to find solutions to the same fiscal constraints that challenge the State and our neighboring cities.

As a result of the Mayor and City Council's leadership, from FY 04 - FY 10, Long Beach has adopted \$163 million in deficit solutions—\$118 million in expenditure reductions and \$45 million in revenue enhancements—to bring the General Fund into structural balance and maintain this balance for four consecutive fiscal years without dipping into the City's emergency reserves. The fiscal discipline and commitment this demonstrates cannot be understated or taken for granted. Absent the City Council's fortitude to enact these difficult changes year after year, the City would most likely be in a fiscal situation akin to the State of California.

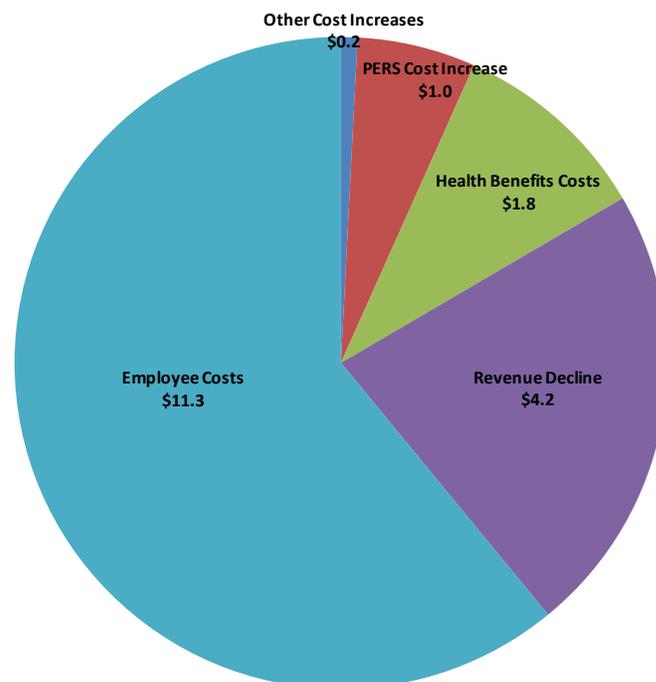
While this does not mean that we are now immune from the reality of diminishing government resources and future budget deficits, it most certainly means that by adopting structural solutions, we have been able to retain core services while not decimating other services, maintained our strong credit rating, and have the means to deliver a balanced budget, year after year. It has been your hard work over the past seven years, and the discipline you instill each and every day that has put us in this relatively enviable position.

The FY 11 Budget has provided an excellent opportunity to not only build upon solid budget development principles that have delivered structurally-balanced budgets for the past four fiscal years, but to also expand our strategic approach to allocating scarce General Fund resources while addressing other City Funds that have started to show signs of distress over the past few years.

The Roots of the Deficit in FY 11

In many respects, the roots of the deficit in FY 11 are similar to those that befell the General Fund in FY 10. The impacts of the prolonged recession on economically sensitive revenue coupled with labor cost increases have resulted in a projected \$18.5 million deficit. Specifically, due to the continuing effects of the recession, economically sensitive revenues such as sales tax, property tax, Transient Occupancy Tax (TOT) and Vehicle License Fee (VLF) revenue are expected to decline year-over-year by approximately \$4.2 million, while expenses associated with labor and benefit cost increases are expected to rise by \$14.3 million.

Chart 1: Components of \$18.5 million FY 11 General Fund Structural Deficit



Per Chart 1, in addition to the revenue declines, the labor cost increases are estimated to be \$11.3 million, while changes in the PERS (retirement) rate will increase costs by an additional \$1.0 million. Lastly, the cost for the City to provide the current slate of employee health insurance benefits is expected to rise by \$1.8 million in FY 11. These are the key elements of the General Fund deficit for the next fiscal year.

Long Beach is far from alone in facing these fiscal challenges. Staff has been closely following the strategies of 45 different agencies in California and the United States with deficits as large as \$19.1 billion to as small as \$450,000. Being keenly aware of the budget balancing strategies utilized by other agencies, especially our neighbors, helps to affirm the efficacy of our past and current budget balancing strategies within the context of today's local government finance.

Building On Success: The Path to Fiscal Sustainability

The current year FY 10 Adopted Budget represented a turning point for Long Beach's annual budget development process after seven years of gradual budget balancing measures. Recognizing the need to evolve our approach toward even more structural, lasting solutions, several new concepts were introduced to put Long Beach on an accelerated path to fiscal sustainability:

- All departments participated in solutions; wholesale exemptions for Police and Fire sworn staffing could no longer be recommended as that excluded up to 68 percent of the Budget from budgetary reform;
- A balanced three-pronged approach—Potential New Revenue, Department Reductions and Employee Participation—ensured that ultimate budget solutions did not overburden any one stakeholder;
- Core missions and services were used to direct funding decisions to support the City Council's Stated Priorities;
- Employee participation linked the impacts of negotiated compensation increases to employee solutions to avoid unnecessary layoffs or service disrupting furloughs;
- A multi-year focus was restored promoting even greater sustainability; and
- Enhanced transparency was achieved by introducing monthly City Council Budget Meetings in addition to the regularly scheduled BOC and Budget Hearings.

Based on the strong foundation of fiscal sustainability implemented in FY 10, the City Council acted on May 18, 2010 to approve a clear set of budget development objectives to once again guide the City's resource allocation planning and the strategy to deliver a balanced budget for FY 11.

These principles included:

- Maintain core services and priority programs;
- Enhance community-oriented governance – in other words, preserve services that provide the building blocks for a healthy, safer community including library, parks and public works services;
- Maintain each department's proportional share of the General Fund budget as in FY 10; and
- Structurally balance the budget using a multi-pronged approach, including the addition of two new prongs—Government Reform and Pension Reform—to enhance the breadth and scope of solutions available for FY 11 and beyond.

Utilizing these principles, and anticipating a productive outcome with our partners in the employee unions, the proposed General Fund budget is once again structurally-balanced. The specific approaches employed to achieve this feat for the fifth year in a row is described in more detail below.

Balancing the General Fund – A Five-Pronged Approach

With the addition of two new prongs to the City's budget balancing strategy—Government Reform and Pension Reform—management was able to think more broadly and creatively about potential deficit reduction proposals, while minimizing the deleterious impacts to the community, organization and the workforce that could be created by simply proposing department cuts and the elimination of programs. While Department Reductions are unavoidable, and Employee Participation and Potential New Revenue still essential to eliminate the \$18.5 million projected deficit, the resulting proposals from each prong represent the fewest possible impacts to each stakeholder while providing potential solutions to address the City's current and future budget challenges.

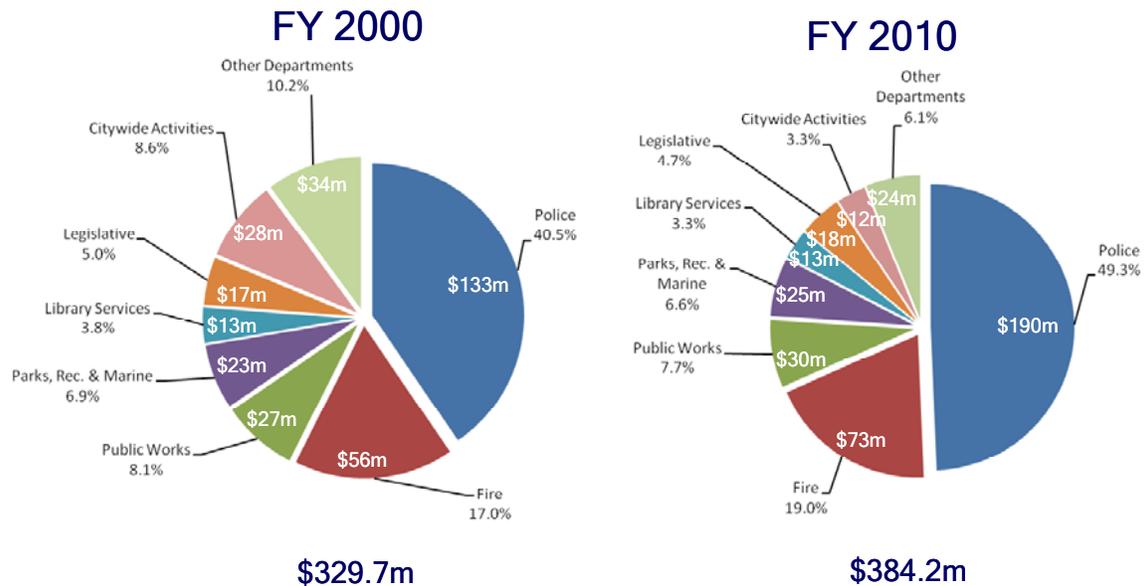
First Prong: Department Reductions

Departments were asked to provide \$7.2 million, or approximately 2 percent, reductions to departmental operating costs. This is not an across-the-board approach to budget-cutting, as each department's reduction target was specifically established to maintain the proportional allocation of the General Fund in FY 11 that each department received in FY 10; hence, each specific departmental target was developed with that end-goal in mind.

Whether the General Fund totals \$382 million or \$410 million, maintaining core public safety, quality of life and legally-required administrative functions is absolutely essential to a healthy and productive city and community. For example, if the Library Services Department comprises 3 percent of the General Fund budget in FY 10, the goal of the FY 11 Proposed Budget is to maintain the Library Services share of the General Fund budget at 3 percent.

As demonstrated in Chart 2 below, an erosion of funding for core quality of life programs occurred during the last decade, due largely to the growth of Police and Fire Department costs from 57.5 percent of the General Fund budget to 68.3 percent of the General Fund. We must address this disparity to ensure that we do not ignore the roots of high-risk behavior and fuel the self-perpetuating allocation of public resources away from crime prevention to crime suppression. With over 85 percent of all juvenile offenders rating as functionally or marginally illiterate, 50 percent of the entire U.S. prison population functionally illiterate and 19 percent of adult prisoners in California completely illiterate, the correlation between under-education and incarceration and the need for basic literacy services and library programming cannot be more clear. Chart 2 below demonstrates the shift in resource allocations in Long Beach from FY 2000 – FY 2010.

Chart 2 – General Fund Allocations by Department – Fiscal Years 2000 - 2010



If exemptions were made for the Police and Fire departments' budgets in FY 11, the percentage reductions to other departments would have tripled to 6 percent. Needless to say, a balanced approach that includes participation by all departments is preferred in an effort to maintain core services to the greatest extent possible.

Proposed department reductions for FY 11 include, but are not limited to:

- Reduce one of four apparatus (Engine 101) at Station 1, leaving an enhanced truck company, an engine company and rescue to serve the station 24/7;
- Enhance revenue through expanded licensing and veterinary services at Animal Care Services;

- Align Family Learning Center (FLC) operations with Long Beach Public Library Foundation funding; closing six FLCs and reducing operating hours and staffing at the remaining six facilities;
- Discontinue newly established services in FY 10, including programs at the Boy Scout Pool, recreation staff training and night swim hours at City pools;
- Reduce Government Affairs special studies and contractual services;
- Utilize private contractor for crossing guard services and maintenance trades (carpenters, painters and locksmiths);
- Utilize civilian Police Investigators and private contractors to provide Civic Center Security;
- Partially staff Internal Affairs with civilian Police Investigators;
- Reduce sworn police staffing for non-calls for service units, including the Directed Enforcement Team, Auto Theft Unit, Organizational Review Unit and vacant Corporal positions;
- Allocate project management costs to Measure R; and,
- Proportionate reductions in all elected and appointed departments.

In total, the recommended department deficit reductions total \$7.2 million and will directly impact 130 positions in the General Fund. For an illustrative list of proposed Department Reductions, please see Attachment A.

Second Prong: Employee Participation

Employees and their union representatives have been asked to identify cost reductions to offset \$11.3 million (or 61 percent of the total deficit) in increased labor costs. The chart below demonstrates the specific employee compensation cost drivers impacting the FY 11 budget.

General Salary Increases	\$ 5,785,818
IAM 2% Equity Adjustment	1,610,557
Skill Pays	1,232,063
Step Increases	881,221
PERS (related to salary increases)	1,037,117
Payroll Overhead/FICA	266,210
Overtime (PD and FD only)	508,243
Total	\$ 11,321,229

This strategy is essential to the continued effort to avoid unnecessary layoffs and resultant impacts to core community services. In fact, were employee unions not expected to cover their share of the budget deficit, non-Public Safety departments would have been forced to make 16 percent reductions to their FY 11 budgets. Throughout California and the nation, countless communities have embraced this strategy to avert the loss of jobs that would threaten their regional economies, undermine the strength of the workforce and jeopardize the financial security of their colleagues.

Since the dialogue with our union partners is on-going, each department's FY 11 General Fund budget includes "To Be Negotiated" savings totaling \$11.3 million. Should good faith efforts with the unions fail to generate required savings, the City will be forced to implement an immediate round of layoffs to meet the required savings sought from employee concessions. A total of 85 additional layoffs, both sworn and civilian, from the General Fund will need to be implemented in addition to the 130 positions proposed for elimination via recommended Department Reductions. These additional cuts will likely have serious impacts on the community and workforce, and include:

- Eliminate 49 Police Officers and Sergeants in the Patrol Bureau;
- Eliminate Rescue Ambulance 12 from service and begin rolling brownouts of fire engine companies citywide;
- Reduce library operations to 5 days a week systemwide (one less day than currently provided at four branches);
- Eliminate Saturday supervision at 25 parks;
- Reduce budgets at Rancho Los Cerritos and Rancho Los Alamitos;
- Eliminate staffing for summer and after-school programming at 9 parks;
- Reduce funding for Code Enforcement; and,
- Eliminate two Pothole Crews.

These service reductions are not recommended, and if implemented will represent a significant impact to community safety and quality of life services, as well as the reduction of an additional 85 positions. In total, 228 positions will be impacted from General Fund and Other Fund (an additional 13 positions) reductions should employee concessions not be achieved for FY 11. For an illustrative list of Alternate Service Reductions, please see Attachment B.

Third Prong: Potential New Revenue

Over the past seven fiscal years, new revenue and funding sources have been pillars to the City's budget balancing strategy. Over those years, \$45 million in new revenue, including \$7.7 million alone in FY 10, was identified to preserve core community services and avoid draconian impacts to the workforce. We must aggressively pursue our current revenue commitments and increase them at every possible opportunity.

The FY 11 Proposed Budget includes \$2.1 million in net revenue increases. Revenue increases include enhanced revenue from Animal Care Services licenses and permits, the additional transfer of cable franchise fee revenue from the General Services Fund, additional revenue from the Telephone Utility Users Tax compliance review, new cost recovery revenue from Police Department contracts for service with the Harbor and Airport Departments and revenue generated by fees increased using the City Cost Index, an initiative implemented in FY 10 to ensure citywide fees keep pace with rising City costs. Our focus on maintaining user fees to recover our growing cost preserves

general tax revenue for core public safety services that benefit the entire community. (Please see the Appendix section of the Proposed Budget Book for a list of proposed User Fee adjustments for FY 11).

Staff will continue to aggressively seek opportunities to stimulate the economy and grow our revenue base through corporate location agreements, sales tax sharing agreements, redevelopment projects, Enterprise Zone activities and by proactively and aggressively securing federal and State grants to make critical infrastructure repairs that support economic growth and activity. The fruit of these efforts are evidenced by new housing units and mixed use developments coming online, neighborhoods blooming anew such as the Arts District, four new hotels opening during arguably the greatest economic turndown in a generation and streets repaired by American Recovery and Reinvestment Act (ARRA) funded capital projects. There is much to celebrate in Long Beach from increased revenue from General Fund sources and beyond.

Fourth Prong: Government Reform

As your City Manager, it has been a priority of my management team to continually explore ways to streamline or reinvent the way we provide services to the community to become a more cost-effective, modern organization. To this end, we have merged the Gas and Oil departments, shifted Development Services out of the General Fund and into its own self-financing Special Revenue Fund, consolidated Redevelopment services into Development Services, contracted-in regional workforce development services into the Workforce Investment Bureau, created a separate Airport Department with specialized Airport personnel, reconfigured Animal Control into Animal Care Services and completely optimized graffiti abatement to achieve a consistent 24-hour response time. These reforms, however, should be considered just the beginning as we reconfigure the organization to meet increasing demands in an era of declining resources.

On June 22, 2010, a Special Meeting of the City Council on the budget was held during which I presented several Government Reform proposals that I am recommending be implemented during FY 11. These changes could generate future savings once fully implemented of approximately \$1 million; however, the FY 11 budget does not include savings from all of the proposed reforms as these are significant organizational changes and full cost analyses will take some time to complete.

Key Government Reform proposals for FY 11 include:

- Realign organizational functions to maximize resources and improve customer service, including:
 - Workforce Investment Bureau, Occupational Health and Employee Assistance Programs transferring to Human Resources,

- Neighborhood Resources and Housing Development Bureaus transferring to Development Services,
- Property Services Bureau and Parking Management Division transferring to Public Works, and
- Housing Authority Bureau transferring to Health and Human Services;
- The Utility Call Center transferring to the Long Beach Gas & Oil Department;
- Civil Service and Human Resources Departments consolidating;
- Bringing Basic Life Support (Ambulance) billing services back in-house;
- Extending administrative citations for Municipal Code violations across all departments;
- Increasing the role of Environmental Services Bureau (Refuse Fund) in neighborhood clean-up; and,
- Pooling department clerical support.

Some of the proposed FY 11 Government Reforms can be implemented by the City Manager with the City Council's approval, while others will require Charter reform authorized by a majority vote of the electorate. (Please see the Government Reform section of the Proposed Budget Book for more detailed information on the proposals included for FY 11).

Fifth Prong: Pension Reform

The escalating cost of public pensions, fueled by catastrophic market losses in the Statewide CALPERS system, is the most significant threat to the fiscal sustainability of local governments throughout California. As has been previously reported to the Mayor and City Council, to replenish PERS' portfolio losses, Long Beach faces a \$67.6 million increase in pension costs over the next several years starting in FY 12. This \$67.6 million increase (of which \$36.6 million will impact the General Fund) would have impacted Long Beach in a single year, FY 12, if not for the aggressive lobbying by the Department of Financial Management in Sacramento for PERS to spread this adjustment over a longer period. Moreover, as PERS lost an entire quarter (24.8 percent) of its investment portfolio in FY 09, totaling \$59 billion, it will take many years for PERS to recoup the debilitating losses it has incurred resulting in significant increases in annual PERS costs for the foreseeable future.

Long-term, meaningful pension reform can neither be avoided nor delayed. The State of California, along with public agencies throughout California, has begun to reduce costs for current and future pensions. Pension reforms include increases in employee contributions toward retirement costs for current employees; reductions in benefits for new employees through increased retirement ages; lower benefit formulas; and, expanded definitions of final compensation on which the pension benefit is based. Several cities have also introduced ballot measures to establish sustainable benefit levels for city

employees and to safeguard against future benefit increases granted without the express will of the taxpayers. Pending a Statewide solution, we must secure reforms in a way that does not put Long Beach at a distinct competitive disadvantage when recruiting the best and the brightest for the City's workforce.

As any reform will require negotiations with our partner employee groups, we will continue to jointly explore all possibilities to achieve immediate and long-term savings in the City's pension costs to avoid harmful cuts in services or painful reductions to the workforce that will be inevitable if the issue is ignored. The City's current pension costs comprise 13.1 percent (or \$50.1 million) of the City's entire General Fund expenditures. If no action is taken to reverse the unsustainable growth in pension costs, by FY 14 the City will be forced to commit as much as 21.3 percent (or \$91.3 million) of its General Fund to pension costs alone, with annual increases thereafter.

A Balancing Act - More Than the General Fund

The economic downturn and sluggish recovery, increasing costs to provide services and State budget crisis have impacted several funds, not just the General Fund. Several City funds are facing structural deficits in FY 11 if action is not taken to bring available resources in line with planned expenses. These include the Special Advertising and Promotions Fund, Police and Fire Public Safety Oil Production Act (Prop H) Fund, Development Services Fund, Fleet Services Fund, Towing Fund, Health Fund and Tidelands Operating Fund as well as the Insurance and Employee Benefits Funds, which feature deliberative cost reductions and/or revenue increases in an effort to begin restoring fiscal balance in FY 11.

Special Advertising and Promotions Fund (SAP)

With a near 30 percent downturn in Transient Occupancy Tax revenue, the SAP Fund is facing a structural budget deficit for FY 11. Amongst the \$1.1 million in proposed reductions for FY 11 is a reduction to the Convention and Visitors Bureau contract of 10 percent and the restructuring or elimination of subsidized special events until the sustainability of the SAP Fund is restored.

Tidelands Operating Fund

Despite the infusion of one-time resources from additional Harbor Department transfers and Tidelands oil operations, the Tidelands Operating Fund (Tidelands) carries an estimated \$9 million structural deficit that is expected to erode available fund balance by the end of FY 13. The \$1.7 million in FY 11 reductions proposed by the seven departments using the Fund is the first step in a five-year plan that will eliminate the Tidelands structural imbalance by FY 15, and allow one-time resources for critical one-time capital needs.

Towing

The Towing Fund has provided excellent services to the City departments it serves, making great strides through the implementation of the Towing optimization study. Unfortunately, the economy has impacted Towing revenue and has challenged the operation's ability to make the \$3 million annual transfer to the General Fund. To address this issue, the Towing operation has proposed solutions that will stabilize the transfer to the General Fund in FY 11. To help the Towing operation explore additional ways to maximize its service delivery and revenue generating opportunities, a Request for Proposals for the Towing operation was released seeking various models from the private sector that the City can evaluate for FY 11.

Fleet

The rising costs of labor, fuel and parts has been outpacing the Fleet Fund's ability to recover its costs for service. As a result, the Fund has suffered from structural deficits for the past few years requiring internal borrowing to sustain its operations. The Fleet Bureau has worked diligently to restore its fiscal balance in FY 10; however, it must create the operational savings to secure the funds it needs to adequately maintain its vehicle replacement schedule. Therefore, in FY 11, the Fleet Bureau has recommended \$476,000 in cost savings and revenue enhancements to begin repaying its internal loans.

Health

Outside of the General Fund, no fund has faced, or taken greater steps to address, such severe fiscal hardships as the Health Fund. Directly impacted by State budget reductions, the Health Fund has been forced to take \$8.3 million in budget and workforce reductions in the last two years alone, while serving to keep the community safe from communicable diseases and provide critical health and human services to the most vulnerable members of our community. To ensure that the Fund remains viable, and to ensure the Health Fund has sufficient cash flow to meet its financial obligations, the Health Department is recommending \$654,000 in budget reductions for FY 11.

Police and Fire Public Safety Oil Production Act (Prop H) Fund

The Prop H Fund was created in FY 07 to provide a dedicated funding source for police and fire services. A 25¢ tax on each barrel of oil produced in Long Beach was levied to sustain 14 new police motor officers and 12 firefighters to staff a new truck company. Since its inception, oil production has steadily declined while the cost of services has increased, most notably negotiated compensation for the 26 staff. As detailed in the City Auditor's most recent report on the Prop H Fund, a structural deficit exists in the Fund that has required a subsidy from the General Fund to cover the costs associated with these operations. To begin bringing the Fund in line with its dedicated revenue source, the Police and Fire Departments are recommending \$1.1 million in cost

reductions in the Prop H Fund. These reductions will not result in layoffs, as each department as sufficient vacancies to absorb displaced Police Officers and Firefighters.

Development Services

The severe downturn in building activity and development over the past three years has had a direct and deleterious impact on the Development Services Fund. The Fund was established in 2007 to clearly segregate the revenue and operations supported by developers' fees for service. Unfortunately, the declines in the housing and construction sectors have significantly impacted the Fund, which has been forced to support staff hired at the peak of the real estate market. After implementation of \$2.2 million in savings for FY 11, for the first time the Development Services Fund will be structurally balanced, with ongoing revenue supporting ongoing expenses.

Insurance Fund

The Insurance Fund was created to finance and account for the City's general liability and Workers' Compensation activities. The Fund is primarily supported through charges to City departments and Funds, with approximately 60 percent of its revenue derived from the General Fund. The City has made remarkable strides in managing its Workers' Compensation costs, keeping its outlays flat while the cost of services has experienced double-digit increases. Since the outlay of a \$20 million judgment in FY 06, the Fund has struggled to generate sufficient revenue from City departments to cover its ongoing costs. We will be challenged to keep general liability and Workers' Compensation costs down while continuing to work with the City Attorney's Office and the Department of Human Resources to identify cost savings opportunities to rebuild a reasonable balance in the Insurance Fund to ensure we meet our legal and workforce obligations.

Employee Benefits Fund (EBF)

The EBF is used to support employee benefits such as paid time off, PERS benefits, employee health care and pension obligation bond payments among other costs. The EBF is also supported primarily through charges to departments for their employees' estimated benefit costs. Given recently enacted Government Accounting Standards Board (GASB) pronouncements, the Fund must begin to report and potentially begin funding its long-standing unfunded liabilities for employee sick leave banks and retiree healthcare costs. As of the most recent actuarial reports, this liability is as large as \$187 million, funding for which would need to come from increased charges to departments and funds, with at least 60 percent of all charges impacting the General Fund. As the City implements future department reductions, employee concessions and government reform proposals over the next several years, it is our goal to begin to effectively reduce the liabilities carried in the EBF and make the Fund sustainable without overburdening other City operations that support the EBF.

These changes in FY 11 to Other Funds represent a net savings of \$7.3 million while impacting a net 13 positions. For an illustrative list of proposed Non-General Fund reductions, please see Attachment C.

Seeing the Forest for the Trees

We will make great strides next year through the FY 11 Proposed Budget to maintain a structural balance in the General Fund and begin restoring the health of other struggling funds. However, we cannot lose sight of the larger challenges ahead. The City is facing a protracted economic recovery that will slacken the rebound of major revenue streams, if not lead to further revenue declines as some economists and industry experts predict. Couple this with significant increases in labor costs, and the City's General Fund will be facing structural deficits over the subsequent three fiscal years (2012-2014). Addressing these shortfalls will require the continuous application of the five-pronged approach to budget balancing until the General Fund has finally balanced its liabilities with the resources needed to fund them. There has never been a more important time to maintain the City's commitment to fiscal responsibility as stewards of the public's resources and trust.

That said, despite the challenges we face from the economy, our shrinking revenue base, the State budget morass or our own budget deficits, I am fundamentally optimistic about our outlook for FY 11 and beyond. Over the past several years, as we have aggressively and deliberately addressed annual budget deficits and service delivery challenges, we have demonstrated that our capacity to meet our foes is unbridled, that no department, service or issue is free from the scrutiny of staff and community and that creating a sustainable, healthy community is our paramount goal as the government that serves it.

Each year anew provides us a fresh chance to make right where there is wrong, bring stability to those who have been shaken by our economic and social conditions, ensure value where none exists and bring inclusion to those who have been excluded. As a City we have an unprecedented amount of tools at our disposal to make such a vision a reality for all that live in Long Beach, and I am confident that we will take full advantage of the opportunities we have to do just that through our FY 11 and future year budgets.

Sincerely,



Patrick H. West
City Manager

- Attachment A FY 11 Proposed Department Reductions
- Attachment B Alternate Service Reductions to Employee Participation
- Attachment C FY 11 Proposed Non-General Fund Reductions

PLAN A

ATTACHMENT A

Provided below is the “Plan A” summary of the City Manager-recommended General Fund deficit reductions for departments amounting to \$7.2 million. For ease of review, all reallocations of resources within departments, offsets, adjustments, and minor reductions have not been included.

CITY ATTORNEY (LAW)

	Amount	Positions
Reallocate .07 FTE of a Deputy City Attorney position and .05 FTE of a Secretary position to the Insurance Fund.	\$(16,000)	(.12)

CITY AUDITOR

	Amount	Positions
Reduce staff hours available to conduct performance audits, fraud investigations, contract revenue reviews, Stimulus Funds reviews, and restrict the Department’s ability to respond to citizen, City Manager, and City Council requests.	\$(15,000)	

CITY CLERK

	Amount	Positions
Reduce translator and interpreter services.	\$(37,000)	

CITY MANAGER

	Amount	Positions
Reorganize and enhance the City’s messaging function by combining Government Affairs and Public Information under the Director of Government Affairs and Strategic Initiatives. This eliminates a long standing vacant Public Affairs Assistant in Communications. This also includes reducing funding for Governmental Affairs Bureau special studies and contractual services.	\$(119,619)	(1.0)
Eliminate budgets for office equipment, general promotion expenses, furniture and contractual services. Reduce budgets for memberships, reprographics, auto allowance, and training.	(78,306)	
Transfer personnel costs from the Special Advertising and Promotions (SAP) Fund to the General Fund to ensure the sustainability of the SAP Fund. These costs are offset by other General Fund reductions in the City Manager’s Office.	144,786	.72

CITY PROSECUTOR

	Amount	Positions
Reduce budgeted expenditures for personnel, supplies, and administrative costs in the General Fund.	\$(115,000)	

CIVIL SERVICE

	Amount	Positions
Reduce general recruitment related activities. This will result in a decrease in outreach advertising, postage, and attendance at job fairs, which impacts the ability to attract a quality and diverse applicant pool.	\$(30,000)	

COMMUNITY DEVELOPMENT

	Amount	Positions
Reduce expenditures in the Property Services Bureau for projects and research.	\$(86,320)	

DEVELOPMENT SERVICES

	Amount	Positions
Reallocate .23 FTE of an Administrative Analyst position from Administration to Redevelopment/Parking.	\$(23,814)	(.23)

FINANCIAL MANAGEMENT

	Amount	Positions
Transfer Commercial Services Call Center to Long Beach Gas and Oil to improve customer service and working conditions. General Fund savings are minimal since Gas, Water, Refuse, and Sewer Fund revenues largely offset the General Fund expenses for the Call Center.	\$(55,317)	(23.97)
Consolidate the Administration Division into the Budget Bureau. Includes the transfer of an Administrative Analyst III position to the Commercial Services Bureau, reduces budget for overtime, supplies, and administrative costs in the Budget Bureau.	(67,103)	
Convert Clerk Typist III position to a Secretary position in the Business Relations Bureau.	4,321	
Transfer a Business Services Specialist to Technology Services, which is consistent with the City Manager’s Government Reform proposal to centralize technology oversight in the Technology Services Department. Direct savings are offset by charges in the Technology Services MOU	0	(1.0)
Convert a Clerk Typist III position into a Secretary position, and add an Assistant Administrative Analyst I position in the Business Relations Bureau. The Analyst position will be responsible for monitoring Medical Marijuana Collectives, Small Business Enterprise Compliance Program, coordinating local outreach efforts, supporting the Equal Benefits Ordinance, and business licensing functions.	72,352	1.0

PLAN A

ATTACHMENT A

FIRE

	Amount	Positions
Station 1 is currently staffed with two fire engines, a truck and a rescue. This reduction removes Engine 101, leaving Station 1 with three remaining response apparatus. This eliminates nine positions and the associated constant staffing overtime, but enhances the capabilities of the truck by reallocating one Firefighter POST position (3 FTEs) to create a fifth person on Truck 1. This change includes the cost of technology to facilitate the deployment of remaining resources through a “move-up” software module. While this represents a reduction in on-duty staffing, it strategically manages the potential demand while maintaining emergency response apparatus at Station 1, 24 hours per day, seven days per week, year-round.	\$(923,320)	(9.0 sworn)
Fire station 14 currently utilizes a Light Force to operate a truck and an engine, as well as a rescue ambulance. Prior to Prop H, Station 14 was only staffed with an engine and a rescue. This proposal eliminates the Light Force staffing model by reducing daily staffing from six to four Firefighter POST positions (6 FTEs) and eliminates the original engine company. Three of the six FTEs (Firefighters) are funded by the General Fund, and three (Fire Engineers) are funded by Prop. H. Station 14 will be staffed with a truck and a rescue, providing a level of service slightly enhanced than what existed prior to Prop H. This change is largely required due to the inability of Prop H oil revenues to support current expenses. While this represents a reduction in on-duty staffing, it strategically manages the potential demand while maintaining emergency response apparatus at Station 14, 24 hours per day, seven days per week, year-round.	(175,383)	(3.0 sworn)

HEALTH & HUMAN SERVICES

	Amount	Positions
Increase Animal Care fees for contract cities (Los Alamitos, Cerritos, Seal Beach, Signal Hill).	\$(31,000)	
Create a new mandated State Licensed Veterinarian position to hold legal Premise Permit, DEA registration, oversee rabies and quarantine policy, and generate expanded revenues for the City. In addition, enhance Dog Licensing Program by adding 4.0 FTEs of non-career Animal License Inspectors. It is estimated that by expanding the Licensing Program and expanding veterinary-based services, the City will generate new revenue as a result of new fee-based services, broader canvassing, expanded licensing, increased citations for delinquencies and other violations.	(149,110)	5.0
Increase revenue commitment to reflect the lease of space at the West Facilities Center To the Westside Neighborhood Clinic, a community-based clinic.	(24,492)	

LIBRARY SERVICES

	Amount	Positions
Eliminate the Family Learning Centers in six libraries, and reduce the open hours of the Family Learning Centers in the remaining six libraries. This is necessary to align services with the amount of funding received from the Library Foundation, which had previously fully supported this program. The Workforce Investment Bureau has pledged \$75,000 in funding to mitigate some of the service reductions. (This amount is not reflected in the reduction total.)	\$(186,500)	(7.05)
Eliminate .30 FTE of a General Librarian position currently used to cover customer service needs at the Main Library. 11.5 FTEs of General Librarian positions will remain at the Main Library to respond to customer questions and requests.	(28,498)	(.30)
Reduce budgeted expenditures for printed materials (program advertisements, library maps, instructions, etc.) available for distribution to the public.	(5,066)	
Transfer .50 FTE of a Library Aide position at Main Library from General Fund to Special Revenue Fund. Position is for the staffing of the Miller Room, and is offset with a transfer from the Miller Family Trust.	(9,914)	(.50)

MAYOR & CITY COUNCIL

	Amount	Positions
Reduce budgeted expenditures for personnel, supplies, and administrative costs.	\$(167,715)	

PARKS, RECREATION & MARINE

	Amount	Positions
Discontinue the contract for public use of the Will J. Reid Boy Scout Pool Public use of the pool began in FY 10. Reduce newly established night swim pool hours from five days a week to Monday and Wednesday from 6:30 p.m. to 8:30 p.m. Night swim hours had been expanded in FY 10.	\$(25,487)	(0.54)
Reduce Mural Program budget to provide conservation only, in line with current service levels.	(17,835)	(0.68)
Eliminate the newly established Community Recreation Services citywide summer staff training session. Needed employee training will be provided through other means.	(21,280)	(0.79)
Reduce specialized recreation and program publicity and printed material for the residents notifying them of available recreation programming at park facilities throughout the City. (This reduction does not impact the Department’s quarterly class schedule.)	(38,000)	
Eliminate General Fund support for the annual Long Beach Baseball and Softball Hall of Fame induction ceremony at Blair Field.	(15,000)	

PLAN A

ATTACHMENT A

POLICE

	Amount	Positions
Contract-out for full School Crossing Guard service to a qualified private provider. The reduction amount assumes a contract would be in place by October 1, 2010. The number of sites and service levels currently provided will not change.	\$(907,884)	(51.15)
Eliminate a civilian Police Services Specialist II position in the Deputy Chief of Patrol's Office. The Neighborhood Watch program will continue to be managed using the Neighborhood Watch Advisory Committee members and the Patrol Divisional Police Services Specialists.	(75,751)	(1.0)
Utilize civilian non-career Police Investigators and private contractors for City Hall and Main Library security operations. Eliminate five Special Services Officer II positions, and civilianize one Sergeant and one Police Officer position into two Police Investigator non-career positions.	(202,470)	(3.0 civilian, 2.0 sworn)
Eliminate the Police Department's Organizational Review Unit, which includes one Lieutenant position and one Sergeant position. The Organizational Review Unit responsibilities will be transferred to the Department's Bureau staff sergeants, who will be provided with mandatory auditing training to assure standardization and consistency of future internal Department audits.	(324,094)	(2.0 sworn)
Civilianize two Police Officer positions assigned to Internal Affairs, replacing them with two Police Investigator non-career positions.	(93,633)	(2.0 sworn) +2.0 civilian
Eliminate one of two Auto Theft Units, which includes one Sergeant and five Police Officer positions. Six Police Officers and one Sergeant will continue to be assigned to the Auto Theft Unit.	(816,633)	(6.0 sworn)
Reduce budgeted expenditures for overtime by approximately two percent (2%).	(174,949)	
Reduce the Patrol Divisions' four Directed Enforcement Teams from eight to six Police Officers (each). A total of 24 Police Officers will continue to be assigned to the Directed Enforcement Teams. This will reduce the Department's ability to focus resources on discrete, non-Calls for Service criminal activity.	(875,008)	(8.0 sworn)
Eliminate three vacant Corporal positions. (The Corporal classification has been phased-out.)	(381,257)	(3.0 sworn)

PUBLIC WORKS

	Amount	Positions
Contract-out the maintenance trades of painting, locksmithing, and Carpentry. Client departments will retain budgets for facility maintenance, but will be responsible for the maintenance of their own facilities. The reduction amount assumes a contract would be in place by October 1, 2010.	\$(790,001)	(12.0)
Allocate allowable and appropriate project management costs to Measure R (transportation) funding.	(379,799)	

PLAN B

ATTACHMENT B

Provided below is the “Plan B” summary of the City Manager-proposed General Fund deficit reductions amounting to \$11.3 million. These reductions are not recommended. However, they will be necessary if City employees and their unions do not participate in the FY 11 deficit solutions. For ease of review, all reallocations of resources within departments, offsets, adjustments, and minor reductions have not been included.

CITY ATTORNEY

	Amount	Positions
Reduce expenditures for personnel, supplies, and administrative costs in the General Fund.	\$(71,566)	

CITY AUDITOR

	Amount	Positions
Reduce staff hours available to conduct performance audits, fraud investigations, contract revenue reviews, Stimulus Funds reviews, and restrict the Department’s ability to respond to citizen, City Manager, and City Council requests.	\$(31,563)	

CITY CLERK

	Amount	Positions
Reduce expenditures for personnel, supplies, and administrative costs in the General Fund.	\$(25,427)	

CITY MANAGER

	Amount	Positions
Further reduce funding for Governmental Affairs Bureau to pay for supplemental public affairs consulting costs and potentially a portion of the City’s SB 375 (Greenhouse Gas Emissions Reduction) assessment from the Gateway Council of Governments.	\$(17,925)	

CITY PROSECUTOR

	Amount	Positions
Further reduce expenditures for personnel, supplies, and administrative costs in the General Fund.	\$(180,302)	

CIVIL SERVICE

	Amount	Positions
Eliminate general recruitment related activities. This will result in an elimination of outreach advertising, and attendance at job fairs, which impacts the ability to attract a quality and diverse applicant pool.	\$(21,750)	
Eliminate Police Recruit recruitment related activities, and reduce funding for Police Recruit examination.	(23,250)	

COMMUNITY DEVELOPMENT

	Amount	Positions
Reduce General Fund budget in code enforcement, property services, and development projects. Code enforcement, property services and development projects will need to further optimize their operations to complete projects with reduced appropriations.	\$(120,816)	

FINANCIAL MANAGEMENT

	Amount	Positions
Eliminate a Customer Service Representative II position in the Business Relations Bureau. This position supports business licensing, entertainment permitting, local outreach preference program and other critical functions of the Bureau. This will reduce the Bureau’s performance and ability to meet the needs of businesses in a timely manner.	\$(62,828)	(1.0)
Eliminate the Secretary Position from the Accounting Bureau. This position is the only clerical support position for the Bureau and the 38 employees in the Accounting Bureau who perform critical functions including payroll, accounts payable, financial reporting, and CIP, Tidelands, and grants accounting for the City’s 22 departments and 37 separate funds.	(71,049)	(1.0)
Eliminate an Accounting Clerk III position from the Accounts Payable Division that processes payments for all vendors citywide (except Harbor and Water). This will result in considerable delays in processing payments for outside vendors as the volume of work will not decrease despite the 20 percent reduction in staffing levels and would likely result in late fees and fines charged against the City for late payment processing.	(58,378)	(1.0)
Reduce a full-time Assistant Administrative Analyst II position to a part-time position in the Treasury Bureau. This position assists in filing documents and preparing legally required reports related to the City’s almost \$3 billion in outstanding debt obligations.	(42,325)	(.50)

FIRE

	Amount	Positions
Reduce Station 12 staffing by eliminating a rescue ambulance. Two POST positions (6 FTEs) will be impacted. While the rescue unit is being eliminated, non-Paramedic Firefighters will be impacted. This reduction will result in a possible increase in response times in the affected area.	\$(793,212)	(6.0 sworn)

PLAN B

ATTACHMENT B

“Rolling Brownouts” -- Each day of the year, with the exception of traditionally high call volume days, there will be one fewer engine in the City. These rolling “brownouts” will rotate among stations, though some stations - due to funding source and call volume - will be exempt from brownouts. Firefighters displaced by brownouts will fill vacancies on other apparatuses, therefore reducing the amount of callback overtime incurred by the Department. Rolling brownouts will lead to a complex deployment model that will change on a daily basis. Other engine companies will be required to cover the gaps created by the out-of-service company leading to a possible increase in response times.	(1,528,929)	
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HEALTH & HUMAN SERVICES

	Amount	Positions
Eliminate the Multi-Services Center (MSC) for the Homeless contracted van service used to pick up and transport homeless individuals to and from the MSC, and reduce the amount of supplies purchased.	\$(17,851)	
Require non-profit or governmental agencies occupying space at the West, North, and Central Facilities Centers, as well as at the Multi-Service Center for the Homeless to pay rent in order to maintain these facilities. This would increase the financial burden on Long Beach Unified School District (childcare) and small community-based organizations. There is the potential to lose some or all of the tenants and services offered at the facilities.	(103,500)	
Eliminate the Early Care and Education (ECE) program and eliminate funding for the ECE's Public Health Professional position and other budgeted expenditures. The City will no longer have a childcare liaison for the community. The Weed & Seed program and Central Facilities site supervision will also be impacted.	(130,247)	(1.0)

LIBRARY SERVICES

	Amount	Positions
Standardize hours of operation throughout the City system to five-day operations at all locations. Eliminate 4.11 FTEs of General Librarian positions currently utilized to fund Librarian and Librarian NC/ Substitute hours for six-day operations at four libraries. This elimination will impact customer service response times and professional Librarian availability to respond to customer questions and requests.	\$(370,298)	(4.11)
Eliminate 0.50 FTE Library Clerk I position and reduce funding for City Source, which provides assistance to residents in accessing City services. Customers seeking assistance from City Source personnel in the City Hall lobby will face longer wait times, and there may be times when the desk cannot be staffed.	(14,384)	(.50)
Reduce books, magazines, media, and electronic resources available for customers throughout the Long Beach Public Library system. Patrons will experience longer wait times for high-demand, popular materials and reduced availability for time-sensitive materials.	(66,721)	

MAYOR & CITY COUNCIL

	Amount	Positions
Reduce budgeted expenditures for personnel, supplies, and administrative costs.	\$(132,253)	

PARKS, RECREATION & MARINE

	Amount	Positions
Eliminate the Mobile Recreation Program during the school year at eight sites. This program will continue to be provided in the summer months with a 10-week program in CDBG areas only.	\$(68,232)	(1.28)
Reduce staffing for afterschool programming and Summer Fun Days programming at nine parks. This reduces staffing to FY 09 levels. In FY10, participation in afterschool programming has increased by nearly 6 percent (6%)	(103,361)	TBD
Eliminate recreation supervision on Saturdays from 12 p.m. to 4 p.m. at 25 parks. The program will continue to be provided at 14th Street and the Freeman Center with CDBG funding (this reduction includes \$4,700 for MacArthur Park).	(128,093)	(5.0)
Eliminate the funding for staffing at the teen center at El Dorado Park West during the 10 weeks of summer. Traditionally, El Dorado Park West has used the Teen Center building for Summer Day Camps and Fun Days Programs and has moved the teen program to Wardlow Park.	(15,715)	(.40)
Eliminate a part-time Park Naturalist position and an Admin Intern - NC position at the El Dorado Nature Center. This reduction will eliminate programs such as the Artist Gallery, Night Walks, Campfires, Annual Butterfly Count, Discovery Day, and offsite educational lectures and attendance at school and community events.	(76,355)	(1.16)
Reduce non-career Park Ranger and Recreation Leader Specialist hours and materials costs associated with the supervision of El Dorado Park East.	(45,471)	(.73)
Reduce staffing, materials, and supplies available for senior recreational programming and supervision at the Long Beach Senior Center.	(26,254)	
Reduce Open Gym Program hours at McBride, Chavez, Silverado and Pan Am Parks from five days per week, five hours per day to three days per week, three hours per day.	(68,937)	(2.56)
Eliminate recreational programming for Afterschool, Saturday Supervision, and Summer Fun Days at MacArthur Park. The facility will remain a cultural center only.	(41,633)	(1.29)
Reduce budgets for Rancho Los Cerritos and Rancho Los Alamitos by five percent (5%).	(47,913)	
Reduce staffing for senior programming at Bixby Park.	(7,618)	(.37)
Reduce the publication of the class catalog from four times per year to three. This book drives revenue for these classes and other fee-based programs.	(37,728)	

PLAN B**ATTACHMENT B****POLICE**

	Amount	Positions
Eliminate 44 Patrol Officers and associated vehicles.	\$(5,288,877)	(44.0 sworn)
Eliminate five Patrol Sergeants and associated vehicles.	(766,492)	(5.0 sworn)
Defer the next Police Academy to Fiscal Year 2012 (17 FTEs or 34 Recruits will be defunded). (This is a one-time solution.)	(1,510,584)	

PUBLIC WORKS

	Amount	Positions
Eliminate two pothole truck crews, comprising four Equipment Operator and four Maintenance Assistant positions. This will result in 24,000 fewer potholes being filled annually, and longer response times.	\$(595,653)	(8.0)

OTHER FUNDS

ATTACHMENT C

Provided below is a list of the reductions proposed for each of the affected funds. For ease of review, all reallocations of resources within departments, minor reductions, and other offsets have not been included.

DEVELOPMENT SERVICES FUND (Development Services)

	Amount	Positions
Reallocate 2.33 FTE (from a variety of positions) from the Development Services Fund to Redevelopment as is appropriate to the work being performed.	\$(214,302)	(2.33)
Eliminate one Civil Engineer position, one Plan Checker-Electrical I position, one Senior Electrical Inspector position, one Senior Mechanical Inspector position, and one Senior Combination Building Inspector position. This reduction is reflective of the reduced number of permits being issued.	(525,366)	(5.0)
Reallocate the costs of two Combination Building Inspector positions to the Neighborhood Services Bureau as is appropriate to the work being performed.	(200,495)	
Convert Combination Building Inspector position to Customer Services Representative position to better meet the requirements of the position.	(41,035)	
Eliminate one Project Planner position. This position was created to directly support the Boeing Development Agreement and to revise the Douglas Park Development Standard and Design Guidelines. Boeing has since indicated that they are satisfied with the City's standard service and a dedicated position is no longer required.	(127,950)	(1.0)
Reduce expenditures for various commodities and services across the Development Services Department. The Department will need to further optimize their operations to complete their work with reduced appropriations.	(309,845)	
Defund the Engineering/DVS Officer until needed in the future.	(176,541)	
Increase revenue for FY 11 based on projected increases in development activity. Further reductions will be necessary if revenues are not realized.	(615,000)	

EMPLOYEE BENEFITS FUND

	Amount	Positions
Reduce support for mandatory garnishment processing. (City Auditor)	\$(6,000)	
Reduce expenditures for materials, supplies, and services. (City Attorney)	(8,000)	
Reduce budgeted expenditures for labor consultants. During the 2008-2009 labor negotiations, consultants were used to assist with negotiations. In-house staff can handle negotiations occurring in 2010-2011. (Human Resources)	(50,000)	
Downgrade Administrative Manager position to a Human Resources Officer position. (Human Resources)	(21,771)	

FLEET SERVICES FUND (Public Works)

	Amount	Positions
Extend vehicle replacement schedule based on expanded criteria.	\$(270,000)	
Reduce expenditures for motor fuel based on projected market price and estimated usage. An adjustment may be necessary if fuel prices fluctuate drastically.	(800,287)	
Allocate Underground Storage Tank Program costs for the repair, maintenance, testing, and inspection of Water Department fuel sites to the Water Department.	(36,000)	
Allocate car wash water and trap cleaning costs to user departments.	(16,249)	
Sell miscellaneous surplus items. (This is a one-time solution.)	(15,000)	
Contract-in maintenance for Harbor Department and Water Department vehicles and equipment previously provided by the private sector.	(2,000)	
Downgrade Fleet Service Supervisor II position to Fleet Service Supervisor I position. The Operations Division uses an Administrative Analyst as a back up to the Superintendent.	(16,797)	
Implement aggressive groundwater monitoring/reporting procedures as required by the Water Resource Board, and remediation/repairs to underground storage tanks and fueling stations. These costs are offset by other reductions in the Public Works Department.	678,000	

GAS FUND (Public Works)

	Amount	Positions
Transfer Commercial Services Call Center to Long Beach Gas and Oil to improve customer service and working conditions. Gas Fund costs will be offset by Water, Refuse, and Sewer Fund revenues. (Gas & Oil)	\$1,731,814	23.97

OTHER FUNDS

ATTACHMENT C

GENERAL SERVICES FUND (Technology Services)

	Amount	Positions
Eliminate two Business Systems Specialist III positions, one Communication Specialist IV position, and two Communication Specialist I positions. The elimination of these positions reduces the Technology Services Department's ability: to transition from legacy information and communications systems; to implement self-service web applications; to implement centralized electronic records management; and, to deploy desktop productivity software.	\$(495,977)	(5.0)
Reduce debt service expenditures associated with the lease financing of personal computer and server equipment due to decreasing equipment costs. The Technology Services Department maintains four capital leases and replaces approximately 800 devices annually.	(191,500)	
Reduce expenditures for Verizon telecommunications contract costs as a result of a renegotiation of the contract in 2010.	(75,000)	
Reduce expenditures for training, memberships, overtime, and subscriptions.	(49,000)	
Contract-in with the Los Angeles Port Police to upgrade communications technology in 47 vehicles, and increase the transfer of revenue to the General Fund by \$55,000.	(55,800)	
Transfer of one Business Systems Specialist III position from the Financial Management Department.	103,520	1.0
Downgrade a System Support Specialist II position to a Systems Technician III position.	(9,667)	
Reduce expenditures for City supplied mobile devices by leveraging personal iPhone, Blackberry and other devices.	(30,000)	
Increase expenditures for video production in the Long Beach TV Program by \$126,000 for a monthly video magazine series funded through offsetting revenue provided by the Development Services and Community Development Departments.	0	
Increase cable franchise revenue transfer to the General Fund.	180,800	
Increase expenditures for video services facility rent. The increase is offset by continued growth in cable franchise revenue.	7,000	

HEALTH SERVICES FUND (Health & Human Services)

	Amount	Positions
Eliminate a Public Health Physician position to maximize savings in the Health Fund by reallocating City Health Officer time in place of this position. The position was designed to provide physician oversight for pediatric populations the Health Department serves. The position was partially funded by grants and public health funding.	\$(193,144)	(.96)
Eliminate a Public Health Lab Microbiologist position. The lab requires fewer positions due to downsizing in the public health clinics and the deletion of several lines of testing.	(101,411)	(1.0)
Reduce expenditures due to downsizing of programs and improved cost management. Programs impacted by the reductions include Family Planning (\$54,500), Medi-Cal Gateway (\$202,266), and Preventative Health Clinic (60,000), and the Public Health Lab (\$42,610). Existing grant funding no longer supports these costs.	(359,576)	

INSURANCE FUND

	Amount	Positions
Eliminate Chief Investigator position. (City Attorney)	\$(154,000)	(1.0)
Eliminate extra insurance purchases. The City purchases extra insurance when the market is favorable and prices are low. The following insurances are not recommended for purchase for FY11 and as such can reduce premium expenses: Medical Malpractice (\$20,664) and Travel Accident (\$28,534). The City will self-insure medical malpractice and travel accident risks. (Human Resources)	(49,198)	
Eliminate a vacant Administrative Analyst III position in the Risk Management Bureau and reinstate funding for an external risk management contractor/consultant. In FY 10, the budgeted expenditures for the contractor were eliminated, but the salary savings from the vacant Administrative Analyst position were used to fund the contractor's services. (Human Resources)	(8,414)	(1.0)
Reduce expenditures for safety training and safety-related equipment in the Parks, Recreation & Marine Department. (Parks, Recreation & Marine)	(8,000)	
Receive reallocation of .07 FTE of a Deputy City Attorney position and .05 FTE of a Secretary position from the General Fund. (City Attorney)	16,000	.12
Reduce expenditures for public safety disability retirement appeal costs. (Civil Service)	(2,000)	
Downgrade Administrative Manager position to a Human Resources Officer position (Human Resources).	(7,256)	
Correct salary and benefits costs for recently filled Occupational Health Services Officer. This position was severely under-budgeted as a vacancy. (Health & Human Services)	173,083	

OTHER FUNDS

ATTACHMENT C

PUBLIC SAFETY OIL PRODUCTION ACT FUND (PROP. H)

	Amount	Positions
Eliminate four vacant Motor Officer positions. Two of these positions were vacated effective April 03, 2010, which will result in a savings of \$104,476 in the current fiscal year. (Police)	\$(495,291)	(4.0 sworn)
Fire station 14 currently utilizes a Light Force to operate a truck and an engine, as well as a rescue ambulance. Prior to Prop. H, Station 14 was only staffed with an engine and a rescue ambulance. This proposal eliminates the Light Force, reducing daily staffing from six to four Firefighter POST positions (6 FTEs) and eliminating the engine company. Three of the six FTEs (Fire Engineers) are funded by Prop. H, and three (Firefighters) are funded by the General Fund. Station 14 will still be staffed with the new Prop. H-funded truck and a rescue ambulance, comparable to service prior to Prop. H. While this represents a reduction in on-duty staffing, it strategically manages the potential demand while maintaining emergency response apparatus at Station 14, 24 hours per day, seven days per week, year-round. (Fire)	(601,349)	(3.0 sworn)

SPECIAL ADVERTISING & PROMOTION FUND

	Amount	Positions
Reduce funding for the Long Beach Convention and Visitors Bureau (CVB) contract by 10 percent (10%). This will impact the CVB's ability to promote Long Beach as a tourism and convention destination. In FY 10, the contract was reduced by \$115,000, which eliminated the City's Rose Parade float. (City Manager)	\$(386,690)	
Reduce funding for the Arts Council For Long Beach by 11 percent (11%). In FY 10, the contract was reduced by \$170,000. (City Manager)	(40,700)	
Eliminate one Management Assistant position. This will reduce the City's ability to undertake special projects and perform research. (City Manager)	(68,020)	(1.0)
Reduce expenditures for banners promoting the City, special projects, and consulting services. (City Manager)	(31,000)	
Transfer personnel costs from the Special Advertising and Promotion (SAP) Fund to the General Fund to ensure the sustainability of the SAP Fund. The costs to the General Fund are offset by other reductions in the City Manager's Office. (City Manager)	(144,786)	(.72)
Restructure the summer concert series to increase the number of summer music events, while providing \$305,000 in savings across two funds. The FY11 plan will provide five summer concerts in each council district for a total of 45 events. Currently, 27 Municipal Band concerts and 12 Thursday Night Summer Concerts in the Parks are budgeted, for a total of 39 events. The net cost of the Municipal Band, at \$11,000 per concert, cannot be sustained, and the Municipal Band cannot continue without a major restructuring as fundraising efforts and sponsorships have not proved successful enough to sustain current operations. (Parks, Recreation & Marine)	(177,853)	(2.52)
Eliminate expenditures for all special programming related to Black History Month and Cinco de Mayo. (Parks, Recreation & Marine)	(42,825)	(.18)
Eliminate funding for all City-subsidized parades, including Daisy Lane Christmas Parade (\$41,672), Martin Luther King, Jr. Parade (\$37,248), and the Veterans Day Parade (\$15,080). The budgets for each include only City costs for parade support. (Parks, Recreation & Marine)	(94,000)	
Transfer portion of the Director of Parks, Recreation & Marine's and Executive Assistant's salaries from the Special Advertising and Promotions (SAP) Fund to the General Fund to ensure the sustainability of the SAP Fund. The costs to the General Fund are offset by other reductions in the Department. (Parks, Recreation & Marine)	(38,118)	(.20)
Transfer costs for the Novice Dive and Swim Meets tied to the LA84 Grant, the Sailboat Regatta, and the Model Boat Regatta from the SAP Fund to the Tidelands Fund. These events will all take place in the Tidelands area. (Parks, Recreation & Marine)	(36,233)	(.18)
Eliminate expenditures for neighborhood block party traffic control. Most surrounding cities do not provide oversight of block parties. This will result in either unregulated block parties or require groups requesting block parties to pay for all traffic control devices from a pre-approved vendor. (Parks, Recreation & Marine)	(30,000)	
Eliminate budget for the display of American flags along major traffic corridors in the downtown area between Memorial Day and the Fourth of July. (Parks, Recreation & Marine)	(12,500)	
Eliminate budget for the lease of building space used by the Long Beach Junior Concert Band (LBJCB). This will require the LBJCB to become financially self-supporting and enter directly into a lease for the property or secure a new location to conduct rehearsals. (Parks, Recreation & Marine)	(44,183)	
Eliminate budget for film processing associated with special department requests. The taking of photos will still be provided, but special post-production requests will no longer be free of charge. (Parks, Recreation & Marine)	(16,000)	
Reduce expenditures for Long Beach Television operating costs. (Technology Services)	(17,975)	

OTHER FUNDS

ATTACHMENT C

TIDELANDS OPERATING FUND

	Amount	Positions
Reduce the budget for power at the Long Beach Convention Center to reflect historical use patterns. (Community Development)	\$(350,000)	
Eliminate expenditures for Fourth of July fireworks and all City-subsidized parades in the Tidelands area, including the Naples Boat Parade, Belmont Shore Christmas Parade, and Parade of a Thousand Lights. This includes funding for the purchase of fireworks, barge placement, and City services (Police, Fire, Public Works) incurred in the Greater Queensway Bay area only. (Parks, Recreation & Marine)	(100,000)	
Restructure the summer concert series to increase the number of summer music events, while providing \$305,000 in savings across two funds. The FY11 plan will provide five summer concerts in each council district for a total of 45 events. Currently, 27 Municipal Band concerts and 12 Thursday Night Summer Concerts in the Parks are budgeted, for a total of 39 events. The net cost of the Municipal Band, at \$11,000 per concert, cannot be sustained, and the Municipal Band cannot continue without a major restructuring as fundraising efforts and sponsorships have not proved successful enough to sustain current operations. (Parks, Recreation & Marine)	(127,179)	
Reduce weekday summer lifeguard staffing for the West and East beaches response units, the Colorado Lagoon, and the two least busy stations (12 th Place and Orizaba Ave). Weekend staffing at these locations will remain unchanged.	(48,227)	(1.03)
Eliminate one Marine Safety Sergeant–Boat Operator position. (Fire)	(118,827)	(1.0 sworn)
Eliminate the FY 11 Rookie Academy for non-career lifeguards. Proposed staffing levels will not require a replenishment of non-career employees in FY 11. The availability of non-career employees in FY 12 and beyond will determine the need for future academies. (This is a one-time solution.) (Fire)	(31,838)	(.68)
Reduce expenditures earmarked for performance audits of operations in the Tidelands areas. This would include audits of the Queen Mary, hotels, restaurants, leases and concessions, and other City activities. (City Auditor)	(10,779)	
Reduce internal (intra-fund) support charges to Property Services' real estate activities to reflect historical expenditure patterns. (Community Development)	(13,064)	
Reduce expenditures for the disposal of beach refuse debris to align with actual need. The debris will continue to be collected. (Parks, Recreation & Marine)	(6,982)	
Reduce expenditures for miscellaneous Tidelands materials, supplies, and services to align with need. (Parks, Recreation & Marine)	(30,109)	
Create a historic conservation management plan for the Queen Mary. Expenditures in the amount of \$100,000 will be offset by revenue from Save the Queen, the operator of the ship. (Development Services)	0	
Convert 1.3 FTE of Clerk I positions to .95 FTE of a Recreation Assistant to meet programming needs at the Belmont Plaza Pool. (Parks, Recreation & Marine)	0	(.37)
Transfer costs for the Novice Dive and Swim Meets tied to the LA84 Grant, the Sailboat Regatta, and the Model Boat Regatta from the SAP Fund to the Tidelands Fund. These events will all take place in the Tidelands area. (Parks, Recreation & Marine)	20,822	.18
Increase revenue associated with the annual MOU with Gas & Oil for the Police Port Security Unit's patrolling of Oil Islands. (Police)	(31,375)	
Reduce expenditures for overtime in Tidelands area special events and police helicopter time over City beaches. (Police)	(28,000)	

TOWING FUND (Public Works)

	Amount	Positions
Reduce expenditures for the payment of overages for lien sale vehicles to the State Dept. of Motor Vehicles. Costs have decreased due to better management of sales.	\$(76,995)	
Reduce expenditures for contractor tows. This is a result of the more effective use of City staff.	(85,000)	
Reduce Towing counter hours during low demand times and in excess of regulatory requirements. Staff will no longer have to work overtime to cover shifts. Customers can still retrieve their vehicles, but will have to pay the after hours fee of \$55.	(59,524)	
Remove three non-tow vehicles from service. There will be little or no impact to operations or customer service.	(37,807)	
Implement a Title Surrender Program, which allows the sale of vehicles to any bidder based on the completion of DMV Regulation form (Statement of Facts). This will increase competition/bidding for vehicles at lien sales, resulting in increased revenue.	(118,279)	
Implement a \$20 Bidder Card Fee associated with lien sale auctions to recover costs.	(145,600)	



1
2
3 AN ORDINANCE OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING AND ADOPTING THE
5 OFFICIAL BUDGET OF THE CITY OF LONG BEACH FOR
6 THE FISCAL YEAR 2010-2011, AS AMENDED BY
7 MAYORAL VETO, CREATING AND ESTABLISHING THE
8 FUNDS OF THE MUNICIPAL GOVERNMENT OF THE CITY
9 OF LONG BEACH AND APPROPRIATING MONEY TO AND
10 AUTHORIZING EXPENDITURES FROM SAID FUNDS FOR
11 SAID FISCAL YEAR; DECLARING THE URGENCY
12 THEREOF, AND PROVIDING THAT THIS ORDINANCE
13 SHALL TAKE EFFECT AT 12:01 A.M. ON OCTOBER 1, 2010
14

15 The City Council of the City of Long Beach ordains as follows:

16 Section 1. The City Manager's Recommended Budget which was
17 submitted to the City Council on July 23, 2010, by the Mayor, and which constitutes the
18 preliminary budget for the fiscal year beginning October 1, 2010, as amended by City
19 Council action of September 14, 2010 and the Mayoral Veto issued on September 19,
20 2010, is hereby adopted as the Official Budget of the City of Long Beach for fiscal year
21 2010-11.

22 Section 2. The amounts appropriated in Sections 3 and 4 shall govern
23 and control the expenditures for fiscal year 2010-11 of the several fund types, funds,
24 departments, offices and agencies stated therein. Said amounts conform to the adopted
25 budget of the City of Long Beach as set forth in Section 1. All detailed schedules and
26 other data set forth in the City Manager's Recommended Budget other than those
27 mentioned in this ordinance are provided for information purposes only and are not
28 intended to limit expenditures.

1 Section 3. The Funds specified in Exhibit "A" are hereby established,
2 those of such funds not otherwise created are hereby created, and the specified sums of
3 money set forth opposite the names of said funds are hereby appropriated and
4 authorized to be spent in 2010-11, all of which sums are based on the approved and
5 adopted budget.

6 Section 4. The specified sums of money set forth opposite the names of
7 the following departments, offices and agencies in Exhibit "B" are hereby appropriated
8 and authorized to be spent in fiscal year 2010-11, all of which sums are based upon the
9 approved and adopted budget.

10 Section 5. On September 19, 2010, the Mayor, pursuant to Long Beach
11 Charter Section 1704, exercised a veto which reduced certain line-items in the budget
12 adopted by the City Council on September 14, 2010. The City Council did not take action
13 to override such veto. Accordingly, the line-item reductions are hereby incorporated into
14 the adopted budget for Fiscal Year 2010-2011, and Exhibits "A" and "B" attached hereto.

15 Section 6. This is an emergency measure and is urgently required for the
16 reason that in order to carry on the affairs, functions and business of the City of Long
17 Beach during the fiscal year which begins on October 1, 2010, it is necessary to
18 authorize the expenditure of monies required for such purposes. Currently, no authority
19 exists to pay the salaries and wages of the officers and employees of said City or to
20 make the necessary purchases of supplies, equipment and services to carry on the
21 affairs, functions and business of said City in the forthcoming fiscal year. Commencing
22 on October 1, 2010 it will be necessary for the City of Long Beach to make certain
23 payments on the principal and interest of the bonded indebtedness of said City and to
24 meet the payrolls of the various departments of said City, including the Police, Fire and
25 Health Departments.

26 In order that said obligations may be met when due and payable and said
27 expenditures may be made, it is necessary that this ordinance be passed as an
28 emergency measure, to take effect at 12:01 a.m. on October 1, 2010.

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 Section 7. If any section, subsection, subdivision, sentence, sum,
2 percentage, clause or phrase of this ordinance is for any reason held to be
3 unconstitutional, invalid or void, such decision shall not affect the validity of the remaining
4 portions of this ordinance. The City Council hereby declares that it would have passed
5 this ordinance, and every section, subsection, subdivision, sentence, sum, percentage,
6 clause and phrase thereof, irrespective of the fact that any one or more sections,
7 subsections, subdivisions, sentences, sums, percentages, clauses or phrases thereof is
8 declared unconstitutional, invalid or void.

9 Section 8. This ordinance is an emergency ordinance duly adopted by
10 the City Council by a vote of five of its members and shall take effect immediately. The
11 City Clerk shall certify to a separate roll call and vote on the question of the emergency of
12 this ordinance and to its passage by the vote of five members of the City Council of the
13 City of Long Beach, and cause the same to be posted in three conspicuous places in the
14 City of Long Beach, and it shall thereupon take effect and shall be operative on and after
15 12:01 a.m. on October 1, 2010.

16 I hereby certify that on a separate roll call and vote which was taken by the
17 City Council of the City of Long Beach upon the questions of the emergency of this
18 ordinance at its meeting of September 14, 2010, the ordinance was
19 declared to be an emergency by the following vote:

20	Ayes:	Councilmembers:	<u>Garcia, DeLong, O'Donnell,</u>
21			<u>Schipske, Andrews, Johnson,</u>
22			<u>Gabelich, Neal.</u>
23			_____
24	Noes:	Councilmembers:	<u>None.</u>
25			_____
26	Absent:	Councilmembers:	<u>Lowenthal.</u>
27			_____
28			_____

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 I further certify that thereafter, at the same meeting, upon a roll call and
2 vote on adoption of the ordinance, it was adopted by the City Council of the City of Long
3 Beach by the following vote:

4 Ayes: Councilmembers: Garcia, DeLong, O'Donnell,
5 Schipske, Andrews, Johnson,
6 Gabelich, Neal.
7 _____
8 Noes: Councilmembers: None.
9 _____
10 Absent: Councilmembers: Lowenthal.
11 _____
12 _____

13 I further certify that the foregoing ordinance was thereafter adopted on final
14 reading of the City Council of the City of Long Beach at its meeting of
15 September 21, 2010, by the following vote:

16 Ayes: Councilmembers: Garcia, Lowenthal, DeLong,
17 O'Donnell, Schipske, Andrews,
18 Johnson, Neal.
19 _____
20 Noes: Councilmembers: None.
21 _____
22 Absent: Councilmembers: Gabelich.
23 _____
24 _____

25 Logan
City Clerk
26
27 Approved: 10/12/10
(Date)
28
X [Signature]
Mayor

Exhibit A

FISCAL YEAR 2011 APPROPRIATIONS ORDINANCE BY FUND

FUND	FY 11 NEW ALLOCATION	FY 10 ESTIMATED CARRYOVER*	FY 11 APPROPRIATION
GENERAL FUND	380,406,912	-	380,406,912
GENERAL GRANTS FUND	6,095,256	11,740,589	17,835,845
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT FUND	3,193,883	-	3,193,883
HEALTH FUND	40,005,736	25,699,608	65,705,344
PARKING & BUSINESS AREA IMPROVEMENT FUND	6,155,960	-	6,155,960
SPECIAL ADVERTISING & PROMOTION FUND	5,283,022	-	5,283,022
UPLAND OIL FUND	14,907,730	-	14,907,730
HOUSING DEVELOPMENT FUND	27,126,131	64,077,094	91,203,224
BELMONT SHORE PARKING METER FUND	668,275	-	668,275
DEVELOPMENT SERVICES FUND	11,347,848	106,379	11,454,227
BUSINESS ASSISTANCE FUND	828,305	477,863	1,306,169
COMMUNITY DEVELOPMENT GRANTS FUND	85,073,417	44,613,046	79,686,463
PARK DEVELOPMENT FUND	308,968	-	308,968
GASOLINE TAX STREET IMPROVEMENT FUND	10,110,732	19,419,291	29,530,023
TRANSPORTATION FUND	13,684,500	22,849,890	36,534,390
CAPITAL PROJECTS FUND	4,352,833	45,088,339	49,441,171
CIVIC CENTER FUND	2,534,293	942,762	3,477,055
GENERAL SERVICES FUND	37,640,419	189,233	37,829,652
FLEET SERVICES FUND	33,394,382	696,825	34,091,207
INSURANCE FUND	40,173,816	254,985	40,428,801
EMPLOYEE BENEFITS FUND	220,938,024	-	220,938,024
TIDELANDS FUNDS	131,333,572	33,022,441	164,356,013
TIDELAND OIL REVENUE FUND	70,337,716	-	70,337,716
RESERVE FOR SUBSIDENCE	-	-	-
GAS FUND	117,439,433	14,704,408	132,143,841
GAS PREPAY FUND	20,871,645	-	20,871,645
AIRPORT FUND	37,242,806	68,583,244	105,826,050
REFUSE/RECYCLING FUND	42,710,263	(217,205)	42,493,058
SERRF FUND	53,896,378	-	53,896,378
SERRF JPA FUND	11,295,285	-	11,295,285
TOWING FUND	8,874,169	-	8,874,169
PARKING AUTHORITY FUND	-	-	-
HOUSING AUTHORITY FUND	72,954,528	796,504	73,751,032
REDEVELOPMENT FUND	196,494,636	44,809,983	241,304,619
CUPA FUND	1,246,629	-	1,246,629
TOTAL	1,658,927,500	397,855,279	2,056,782,779

*Carryover of multi-year grants and CIP funds.

Exhibit B**FISCAL YEAR 2011 APPROPRIATIONS ORDINANCE BY DEPARTMENT**

DEPARTMENT	FY 11 NEW ALLOCATION	FY 10 ESTIMATED CARRYOVER*	FY 11 APPROPRIATION
MAYOR AND COUNCIL	4,874,602	-	4,874,602
CITY ATTORNEY	7,852,377	-	7,852,377
CITY AUDITOR	2,720,942	-	2,720,942
CITY CLERK	3,269,240	-	3,269,240
CITY MANAGER	8,413,018	(196)	8,412,821
CITY PROSECUTOR	4,690,208	91,946	4,782,154
CIVIL SERVICE	1,984,548	-	1,984,548
AIRPORT	36,659,859	67,453,711	104,113,570
COMMUNITY DEVELOPMENT	153,916,289	114,196,489	268,112,778
DEVELOPMENT SERVICES	212,560,889	44,881,606	257,442,496
FINANCIAL MANAGEMENT**	371,957,703	13,477,904	385,435,607
FIRE	93,537,333	1,906,804	95,444,137
HEALTH AND HUMAN SERVICES	45,623,020	26,962,884	72,585,904
HUMAN RESOURCES	7,928,249	-	7,928,249
LIBRARY SERVICES	12,752,611	-	12,752,611
LONG BEACH GAS AND OIL	247,038,869	14,704,408	261,743,276
PARKS, RECREATION AND MARINE	50,568,943	26,268,206	76,837,149
POLICE	199,028,278	5,501,594	204,529,872
PUBLIC WORKS	159,581,779	82,220,455	241,802,233
TECHNOLOGY SERVICES	35,846,678	189,468	36,036,146
TOTAL	1,660,805,432	397,855,279	2,058,660,712

*Carryover of multi-year grants and CIP funds.

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

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO. RES-10-0109

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING THE 2010-2011
5 BUDGET OF THE LONG BEACH HARBOR DEPARTMENT
6

7 WHEREAS, Ordinance No. C-7300 of the City Council establishes the fiscal
8 year of the City as beginning on October 1 and ending on September 30 of the following
9 year; and

10 WHEREAS, the annual budget of the Long Beach Harbor Department for
11 the 2011 fiscal year was adopted by the Board of Harbor Commissioners in its meeting of
12 June 28, 2010 by Resolution No. HD-2565; and

13 WHEREAS, said annual budget has been filed with the City Clerk for
14 presentation to the City Council and with the City Auditor pursuant to the provisions of
15 Section 1210 of the Charter of the City of Long Beach;

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

18 Section 1. The annual budget of the Long Beach Harbor Department for
19 the 2011 fiscal year adopted by the Board of Harbor Commissioners in its meeting of
20 June 28, 2010, by Resolution No. HD-2565, a copy of which is attached hereto and made
21 a part hereof by reference, is hereby approved pursuant to the provisions of Section 1210
22 of the Charter of the City of Long Beach.

23 Sec. 2. The City Clerk shall file a certified copy of said budget, as
24 approved, with the Board of Harbor Commissioners and the City Auditor.

25 Sec. 3. The City Clerk shall certify to the passage of this Resolution by the
26 City Council of the City of Long Beach, and it shall thereupon take effect.

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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 September 14, 2010 by the following vote:

Ayes: Councilmembers: Garcia, DeLong, O'Donnell,
Schipske, Andrews, Johnson,
Gabelich, Neal.

Noes: Councilmembers: None.

Absent: Councilmembers: Lowenthal.


City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO. HD- 2565

2
3 A RESOLUTION OF THE BOARD OF HARBOR
4 COMMISSIONERS ADOPTING THE ANNUAL BUDGET
5 FOR THE LONG BEACH HARBOR DEPARTMENT FOR
6 THE FISCAL YEAR 2010-2011

7
8 The Board of Harbor Commissioners of the City of Long Beach resolves as
9 follows:

10 Section 1. That the annual department budget of the Long Beach Harbor
11 Department for the fiscal year 2010-2011 is hereby adopted as follows:

12 Harbor Revenue Fund (in thousands of dollars)

13

14	Estimated Fund Balance 10/1/2010	\$870,826
15	Estimated Revenues	<u>392,681</u>
16	Total Estimated Resources	1,263,507
17	Estimated Expenditures	<u>715,908</u>
18	Estimated Fund Balance 9/30/2011	547,599

19
20 Detailed schedules and other data which accompany the budget are
21 provided for information purposes only and are not intended to limit expenditures.

22 Sec. 2. This resolution shall take effect immediately upon its adoption by
23 the Board of Harbor Commissioners, and the Secretary of the Board shall certify to the
24 vote adopting this resolution and shall cause a certified copy of this resolution to be filed
25 forthwith with the City Clerk. The City Clerk shall post the resolution in three conspicuous
26 places in the City of Long Beach.

27 I hereby certify that the foregoing resolution was adopted by the Board of
28 Harbor Commissioners of the City of Long Beach at its meeting of June 28, 2010

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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by the following vote:

Ayes: Commissioners: Fields, Wise, Walter, Cordero, Sramek

Noes: Commissioners: _____
Absent: Commissioners: _____
Not Voting: Commissioners: _____

C. J. Mike Walter
Secretary

Certified as a True and
Correct Copy
[Signature]
Executive Secretary
Board of Harbor Commissioners
of the City of Long Beach, CA
Dated 7-6-10

DTH:rjr 06/23/10 #A10*-01860
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OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

ORDINANCE NO. ORD-10-0026

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING RESOLUTION NO. WD-1270, A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS OF THE CITY ESTABLISHING THE RATES AND CHARGES TO BE CHARGED FOR WATER AND SEWER SERVICE AND DECLARING THE URGENCY THEREOF, AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AT 12:01 A.M. ON OCTOBER 1, 2010

The City Council of the City of Long Beach ordains as follows:

Section 1. That Resolution No. WD-1270 of the Board of Water Commissioners of the City of Long Beach, entitled "A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS FIXING RATES AND CHARGES FOR WATER AND SEWER SERVICE TO ALL CUSTOMERS, SUBJECT TO THE APPROVAL OF THE CITY COUNCIL BY ORDINANCE," adopted by said Board on June 24, 2010, and the rates fixed in the Resolution to be charged for water and sewer service be and the same are hereby approved subject to a public hearing to be held on September 2, 2010 to consider any public protest of the proposed increases to the City's water and sewer rates for Fiscal Year 2011.

Section 2. This is an emergency measure and is urgently required for the reason that in order to carry on the affairs, functions and business of Long Beach Water Department during the fiscal year which begins on October 1, 2010, it is necessary to authorize the rates and charges for water and sewer service and that this ordinance be passed as an emergency measure, to take effect at 12:01 a.m. on October 1, 2010.

Section 3. If any section, subsection, subdivision, sentence, sum,

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ROBERT E. SHANNON, City Attorney
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Long Beach, CA 90802-4664

1 percentage, clause or phrase of this ordinance is for any reason held to be
2 unconstitutional, invalid or void, such decision shall not affect the validity of the remaining
3 portions of this ordinance. The City Council hereby declares that it would have passed
4 this ordinance, and every section, subsection, subdivision, sentence, sum, percentage,
5 clause and phrase thereof, irrespective of the fact that any one or more sections,
6 subsections, subdivisions, sentences, sums, percentages, clauses or phrases thereof is
7 declared unconstitutional, invalid or void.

8 Section 4. This ordinance is an emergency ordinance duly adopted by
9 the City Council by a vote of five of its members and shall take effect immediately. The
10 City Clerk shall certify to a separate roll call and vote on the question of the emergency of
11 this ordinance and to its passage by the vote of five members of the City Council of the
12 City of Long Beach, and cause the same to be posted in three conspicuous places in the
13 City of Long Beach, and it shall thereupon take effect and shall be operative on and after
14 12:01 a.m. on October 1, 2010.

15 I hereby certify that on a separate roll call and vote which was taken by the
16 City Council of the City of Long Beach upon the questions of the emergency of this
17 ordinance at its meeting of September 14, 2010, the ordinance was
18 declared to be an emergency by the following vote:

19 Ayes: Councilmembers: Garcia, DeLong, O'Donnell, Schipske,
20 Andrews, Johnson, Gabelich, Neal.

21 _____
22 _____
23 Noes: Councilmembers: None.

24 _____
25 Absent: Councilmembers: Lowenthal.

26 _____
27 I further certify that thereafter, at the same meeting, upon a roll call and
28 vote on adoption of the ordinance, it was adopted by the City Council of the City of Long

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1 Beach by the following vote:

2 Ayes: Councilmembers: Garcia, DeLong, O'Donnell, Schipske,
3 Andrews, Johnson, Gabelich, Neal.

4
5
6 Noes: Councilmembers: None.

7
8 Absent: Councilmembers: Lowenthal.

9
10 I further certify that the foregoing ordinance was thereafter adopted on final
11 reading of the City Council of the City of Long Beach at its meeting of September 21,
12 2010, by the following vote:

13 Ayes: Councilmembers: Garcia, Lowenthal, DeLong, O'Donnell,
14 Schipske, Andrews, Johnson, Neal.

15
16
17 Noes: Councilmembers: None.

18
19 Absent: Councilmembers: Gabelich.

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22 
City Clerk

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24
25 Approved: 9/27/10
(Date)

26 
Mayor

27
28

OFFICE OF THE CITY ATTORNEY
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RESOLUTION NO. WD-1270

A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS AMENDING RESOLUTION NO. WD-1257 FIXING RATES AND CHARGES FOR WATER AND SEWER SERVICE TO ALL CUSTOMERS, SUBJECT TO THE APPROVAL OF THE CITY COUNCIL BY ORDINANCE

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

Section 1. That the following rates and charges for potable and reclaimed water service and for sewer service are hereby established, and the Long Beach Water Department ("Water Department") of the City of Long Beach ("City") is hereby authorized and directed to charge and collect the same in accordance with the provisions of this resolution, subject to a Public Hearing on September 2, 2010.

Section 2. For all metered services the charge for potable and reclaimed water shall consist of both a service charge based on the size of the service and a quantitative charge for water delivered.

A. On October 1, 2010, the service charge shall be in accordance with the following table:

<u>Size of Service</u>	<u>Daily Service Charge</u>
5/8 or 3/4 inch	\$0.418
1 inch	\$0.630
1-1/2 inch	\$1.175
2 inch	\$1.742
3 inch	\$3.608
4 inch	\$5.708

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<u>Size of Service</u>	<u>Daily Service Charge</u>
6 inch	\$10.519
8 inch	\$16.511
10 inch	\$27.041
12 inch	\$33.048
16 inch	\$54.696

B. On October 1, 2010, the quantitative charge for all water delivered shall be as follows, based on monthly meter readings:

1. For single family residential customers of potable water who have been granted an exemption from the City's Utility Users Tax in accordance with Chapter 3.68 of the Long Beach Municipal Code:

Tier IA	First 5 Billing Units (or fraction thereof)	\$1.220
Tier II	Next 10 Billing Units (or fraction thereof)	\$2.439
Tier III	Over 15 Billing Units (or fraction thereof)	\$3.659

2. For single family residential customers of potable water who have not been granted an exemption from the City's Utility Users Tax:

Tier IB	First 5 Billing Units (or fraction thereof)	\$2.196
Tier II	Next 10 Billing Units (or fraction thereof)	\$2.439
Tier III	Over 15 Billing Units (or fraction thereof)	\$3.659

3. For duplex residential customers of potable water who have been granted an exemption from the City's Utility Users Tax in accordance with Chapter 3.68 of the Long Beach Municipal Code:

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Tier IA	First 2.5 Billing Units (or fraction thereof per dwelling unit)	\$1.220
Tier II	Next 10.5 Billing Units (or fraction thereof per dwelling unit)	\$2.439
Tier III	Over 13 Billing Units (or fraction thereof per dwelling unit)	\$3.659

4. For duplex residential customers of potable water who have not been granted an exemption from the City's Utility Users Tax:

Tier IB	First 2.5 Billing Units (or fraction thereof per dwelling unit)	\$2.196
Tier II	Next 10.5 Billing Units (or fraction thereof per dwelling unit)	\$2.439
Tier III	Over 13 Billing Units (or fraction thereof per dwelling unit)	\$3.659

5. For multi-family residential customers of potable water who have been granted an exemption from the City's Utility Users Tax in accordance with Chapter 3.68 of the Long Beach Municipal Code:

Tier IA	First 2.5 Billing Units (or fraction thereof per dwelling unit)	\$1.220
Tier II	Next 6.5 Billing Units (or fraction thereof per dwelling unit)	\$2.439
Tier III	Over 9 Billing Units (or fraction thereof per dwelling unit)	\$3.659

6. For multi-family residential customers of potable water who have not been granted an exemption from the City's Utility Users Tax:

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Tier IB	First 2.5 Billing Units (or fraction thereof per dwelling unit)	\$2.196
Tier II	Next 6.5 Billing Units (or fraction thereof per dwelling unit)	\$2.439
Tier III	Over 9 Billing Units (or fraction thereof per dwelling unit)	\$3.659

7. For commercial customers of potable water, \$2.439 per billing unit, or fraction thereof.

8. For industrial customers of potable water, \$2.439 per billing unit, or fraction thereof.

9. For irrigation customers of potable water, \$2.439 per billing unit, or fraction thereof.

10. For City of Long Beach Departments using potable water, \$2.439 per billing unit, or fraction thereof.

11. For reclaimed water users whose use is "peaking" as defined herein, \$1.708 per billing unit, or fraction thereof.

12. For reclaimed water users whose use is "non-peaking" as defined herein, \$1.220 per billing unit, or fraction thereof.

13. For reclaimed water users whose use is "interruptible" as defined herein, \$1.220 per billing unit or fraction thereof.

14. These quantitative charges shall be subject to adjustment as provided in Subsection C of this Section.

15. There shall be no charge for water used through fire hydrants for extinguishing fires.

C. The quantitative charges for Tier IB were adjusted on October 1, 1999 to reflect the action of the Board approving incremental increases to Tier IB.

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Section 3. A. Unmetered water service may be rendered to unoccupied or occupied property where it is not practical to meter the water, and on October 1, 2010, the rate for unmetered water service shall be:

<u>Size of Service</u>	<u>Daily Rate</u>
5/8 or 3/4 inch	\$2.039
1 inch	\$3.450
1-1/2 inch	\$8.498
2 inch	\$13.369

B. The rates for unmetered water service shall begin on the date of use of water by the customer, as determined by the General Manager of the Water Department ("General Manager").

Section 4. By Resolution WD-1266 the Board of Water Commissioners established a Water Conservation and Water Supply Shortage Plan (the Plan). As stipulated in the Plan, the Board may declare that a Stage 1, Stage 2 or Stage 3 Water Supply Shortage exists, in its sole discretion. Upon such declaration, the Board may increase water rates, other than Tier 1 or life-line rates and reclaimed water rates, by an amount necessary, as determined by the Board but not to exceed the following percentages:

Stage 1 Water Supply Shortage Rate. Water rates may be increased by an amount not to exceed 10% above the pre-shortage rate.

Stage 2 Water Supply Shortage Rate. Water rates may be increased by an amount not to exceed 25% above the pre-shortage rate.

Stage 3 Water Supply Shortage Rate. Water rates may be increased by an amount not to exceed 50% above the pre-shortage rate.

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Section 5. Charges for water service through meters at temporary service connections from fire hydrants or otherwise shall be at the applicable quantitative charge plus the service charge, together with a charge for installing, changing, and removing the meter and fittings in accordance with the "Rules, Regulations and Charges Governing Potable Water, Reclaimed Water, Sewer Service and the Emergency Water Conservation Plan" of the Water Department.

Section 6. A. On October 1, 2010, the service charge for private fire protection service shall be in accordance with the following table:

<u>Size of Service</u>	<u>Daily Rate</u>
2 inch	\$0.872
3 inch	\$1.491
4 inch	\$2.203
6 inch	\$3.754
8 inch	\$5.503
10 inch	\$7.444
12 inch	\$9.383
16 inch	\$13.758

The service charges in this Section shall only include water used for fire extinguishing purposes and a reasonable amount of water used for testing the fire line.

B. Whenever the Water Department finds that water through a private fire protection service is being used for purposes other than fire extinguishing or testing the fire line, the General Manager may make a determination of the quantity of water used, the quantitative charges for that water, and the service charges to be applied. His determination shall be final. In addition, if water through a private fire protection service is used for

1 purposes other than fire extinguishing or testing the fire line, the Water
2 Department may discontinue the private fire protection service or may install
3 a domestic or fire flow meter, at either the customer's or its expense as the
4 General Manager may determine, and thereafter the service shall be
5 classified as regular service and billed at the rates applicable thereto.

6 Section 7. The primary purpose of fire hydrants is
7 extinguishing fires and they shall be opened and used only by the Water
8 Department or the Long Beach Fire Department, or such other persons as
9 may be authorized to do so by the General Manager or the Chief of the Fire
10 Department. Where fire hydrants are installed and maintained by the Water
11 Department, there shall be no standby charge made to the Fire
12 Department.

13 Section 8. A. For all sewer service where the sewer
14 lateral connects to a main line maintained by the Water Department,
15 or the sewer lateral is located in the public right-of-way, the charge
16 for sewer service shall consist of both a daily sewer rate and a
17 volumetric sewer rate.

18 B. The daily sewer rate shall be in accordance with the following
19 table:

<u>Size of Service</u>	<u>Daily Sewer Rate</u>
5/8 or 3/4 inch	\$0.238
1 inch	\$0.377
1-1/2 inch	\$0.687
2 inch	\$0.996
3 inch	\$2.061
4 inch	\$3.265
6 inch	\$6.014
8 inch	\$9.448

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ROBERT E. SHANNON, City Attorney
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<u>Size of Service</u>	<u>Daily Sewer Rate</u>
10 inch	\$15.456
12 inch	\$18.893
16 inch	\$30.916

C. The volumetric sewer rate shall be \$0.330 per 100 cubic feet of water furnished where water service size is 5/8 inches or larger. The volumetric sewer rate shall not be applicable to fire services.

D. For volumetric sewer rates, there are the following customer classifications: single family residential; duplex residential; multi-family residential; City Departments; commercial; and industrial.

Volumetric sewer rates for single family residential, duplex residential and multi-family residential shall be computed based on the average of actual potable water use during the winter billing periods. The winter billing periods used will be determined by the meter reading schedule for the account. The actual winter usage is divided by the number of winter days to obtain an average volume. The average volume will be the base volume on which the volumetric sewer rate is charged for the next twelve month period beginning with May's billing periods. Each year, the average volume will be recalculated for the succeeding twelve-month period. Exceptions to the above calculation methodology will use the average volume for the water service size in which the customer falls as the average volume or a calculation using available usage information for the account. For those residential customers with no previous history of use during the winter billing periods, the average volume for the water service size in which the customer falls will be used.

E. For all users of the sewer system that do not receive a water bill from the City but where the user's sewer lateral connects to a main line

1 maintained by the Water Department, or where the sewer lateral is located
2 in the public right-of-way, the charge for sewer service shall consist of both
3 a daily sewer rate and a volumetric sewer rate. The daily sewer rate shall
4 be as provided in Subsection 8(B) of this Resolution. For these customers,
5 the volumetric sewer rate shall be based on the average volume for the
6 customer's water service size.

7 F. The City shall collect from all developments and all
8 developments shall be required to pay a capacity charge of Eighty Eight
9 Dollars and Fifty-Two Cents (\$88.52) per equivalent fixture unit at the time
10 application for sewer service is made, but in no event later than the time that
11 the City issues a sewer permit for connection to the City sewerage system,
12 as set forth in the Long Beach Municipal Code and the "Rules, Regulations
13 and Charges Governing Potable Water, Reclaimed Water, Sewer Service
14 and the Emergency Water Conservation Plan" of the Water Department.

15 G. Upon receipt of an application for sewer service, the City's
16 Department of Planning and Building (through the Plan Checker for
17 Plumbing) shall calculate the amount of the capacity charge by: 1)
18 determining if this resolution applies to the development; and 2) if this
19 resolution does not apply, indicating same on the application for sewer
20 service and the reason this resolution does not apply, and processing the
21 application in accordance with ordinances, resolutions, and regulations; or
22 3) if this resolution does apply, determining the number of equivalent fixture
23 units in the development and multiplying that number by the capacity charge
24 per equivalent fixture unit.

25 H. The sewer capacity charge shall be subject to annual
26 adjustment, effective October 1 of each year, to reflect the increase of the
27 Construction Cost Index ("CCI") for Los Angeles as published in the
28 "Engineering News-Record". The increase shall be calculated each

1 September by dividing the CCI published in August of the current calendar
2 year by the CCI published in August of the preceding calendar year; that
3 figure multiplied by the sewer capacity charge in effect in October shall be
4 the new sewer capacity charge. No adjustment shall be made to reflect a
5 decrease in the CCI.

6 I. Funds derived from capacity charges shall be placed in the
7 Sewer Fund and shall be used only for the operation, construction,
8 reconstruction, acquisition, or maintenance of the City sewerage system.

9 J. Anyone who has paid a capacity charge may apply for a full or
10 partial refund if within one year after payment: 1) the applicant has not been
11 permitted to connect to the City sewerage system; or 2) the development on
12 which the capacity charge was calculated has been modified pursuant to
13 applicable City ordinances, resolutions, or regulations, resulting from a
14 reduction in the number of equivalent fixture units. Refund applications
15 shall be made on forms provided by the City and shall contain a declaration
16 under oath of those facts, along with relevant documentary evidence, which
17 qualify the applicant for the refund. In no event shall a refund exceed ninety
18 percent (90%) of the amount of the capacity charge actually paid.

19 K. Anyone subject to a capacity charge who constructs, deposits
20 money into escrow with the City for the construction of, participates in an
21 assessment district for the construction of, or otherwise contributes money
22 or improvements to the City for the operation, construction, reconstruction,
23 acquisition, or maintenance of the City sewerage system shall be eligible for
24 a credit for such contribution against the capacity charge otherwise due.
25 The amount of the credit shall be the value of the contribution as determined
26 by the City provided, however, that the credit shall not exceed ninety
27 percent (90%) of the amount of the capacity charge. Applications for said
28 credit shall be made on forms provided by the City and shall be submitted at

1 or before the time of application for sewer service. The application shall
2 contain a declaration under oath of those facts, along with relevant
3 documentary evidence, which qualify the applicant for the credit.

4 L. The capacity charge and requirements pertaining thereto shall
5 not affect in any way the permissible use of property, density of
6 development, design and improvement standards, public improvement
7 requirements, or any other aspect of the development of land or
8 construction of buildings which may be imposed by the City pursuant to the
9 Long Beach Municipal Code, Subdivision Regulations, or other state or local
10 laws, ordinances or regulations which shall be in effect with respect to all
11 developments.

12 M. The capacity charge is a charge on development that reflects
13 a development's proportionate share of the present depreciated value of the
14 existing City sewerage system. As such the capacity charge is additional to
15 and not in substitution of the following: 1) on-site sewer facility
16 requirements imposed by the City pursuant to the Long Beach Municipal
17 Code, Subdivision Regulations, and other state or local laws, ordinances or
18 regulations; 2) sewer permit fees; 3) connection charges; 4) sewer rates;
19 and 5) other fees, rates, and charges including but not limited to sewer
20 standby or immediate availability charges and capital facilities charges for
21 services or facilities other than as a proportionate share of the present
22 depreciated value of the existing City sewer system. In no event shall an
23 applicant for sewer service be obligated to pay fees, rates, or charges in
24 excess of those calculated pursuant to applicable City ordinances, which
25 shall not individually or collectively exceed the reasonable cost of providing
26 sewer service to the development.

27 Section 9. Any term not defined herein which is defined in
28 the Long Beach Municipal Code or in the "Rules, Regulations and Charges

1 Governing Potable Water, Reclaimed Water, Sewer Service, and the
2 Emergency Water Conservation Plan” of the Water Department shall have
3 the meaning stated therein.

4 Section 10. A. Regular bills for water service and
5 sewer service shall be issued at intervals of approximately one month
6 (commonly called “monthly”) except in those cases where the
7 General Manager or the Board of Water Commissioners shall
8 prescribe another billing interval. Insofar as practical, meters shall be
9 read at regular intervals for the preparation of regular bills, and
10 meters shall be read as required for the preparation of opening,
11 closing, and special bills.

12 B. Every water customer and every sewer customer shall be
13 liable for payment of bills for water service and sewer service. Charges for
14 water service and sewer service shall be included in municipal utility bills.

15 C. Anyone who has been granted an exemption under Chapter
16 3.68 of the Long Beach Municipal Code as of the date of this resolution
17 does not need to file a separate application for exemption hereunder.

18 Section 11. Whenever the correctness of any bill for water or
19 sewer service is questioned by a customer, the procedures established in
20 the “Rules, Regulations and Charges Governing Potable Water, Reclaimed
21 Water, Sewer Service, and the Emergency Water Conservation Plan” of the
22 Water Department shall be followed.

23 Section 12. The following words shall have the meanings
24 defined as follows:

25 A. “Billing unit” means one hundred (100) cubic feet of water and
26 equals 748 gallons;

27 B. “Commercial” refers to activities devoted primarily to business,
28 property management, or a profession;

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I hereby certify that the foregoing resolution was adopted by the Board of Water Commissioners of the City of Long Beach at its meeting held on June 24, 2010, by the following vote:

Ayes:	Commissioners:	<u>DALLMAN; CLARKE; TOWNSEND;</u>
		<u>ALLEN; BLANCO</u>

Noes:	Commissioners:	<u>NONE</u>
Absent:	Commissioners:	<u>NONE</u>



 Secretary
 Board of Water Commissioners

CERTIFIED AS A TRUE AND CORRECT COPY

 SECRETARY TO THE BOARD OF WATER COMMISSIONERS
 CITY OF LONG BEACH, CALIFORNIA

BY: 

 DATE: 6/24/2010

OFFICE OF THE CITY ATTORNEY
 ROBERT E. SHANNON, City Attorney
 333 West Ocean Boulevard, 11th Floor
 Long Beach, CA 90802-4664

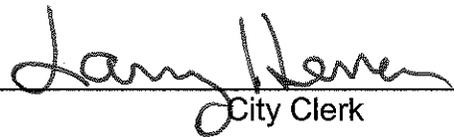
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I hereby certify that this resolution was adopted by the City Council of the
City of Long Beach at its meeting of September 14, 2010, by the following vote:

Ayes: Councilmembers: Garcia, DeLong, O'Donnell, Schipske,
Andrews, Johnson, Gabelich, Neal.

Noes: Councilmembers: None.

Absent: Councilmembers: Lowenthal.



City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
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Long Beach, CA 90802-4664

1 RESOLUTION NO. WD-1269

2
3 A RESOLUTION OF THE BOARD OF WATER
4 COMMISSIONERS ADOPTING THE ANNUAL BUDGET FOR
5 THE LONG BEACH WATER DEPARTMENT FOR THE
6 FISCAL YEAR 2010-2011

7
8 The Board of Water Commissioners of the City of Long Beach resolves as
9 follows:

10 Section 1. That the annual department budget of the Long Beach Water
11 Department for the fiscal year 2010-2011, as follows, be and the same is hereby
12 adopted:

13 WATER

14	Estimated Contingency Fund Balance 10-1-2010	\$18,908,361
15	Estimated Revenues	<u>\$91,694,024</u>
16	Total Estimated Resources	\$110,602,385
17	Estimated Expenditures	<u>\$91,924,270</u>
18	Unreserving/(Reserving) Restricted Fund Balance	\$666,117
19	Estimated Contingency Fund Balance 9-30-2011	\$19,344,232

20
21 SEWER

22	Estimated Contingency Fund Balance 10-1-2010	\$4,315,468
23	Estimated Revenues	<u>\$21,996,740</u>
24	Total Estimated Resources	\$26,312,208
25	Estimated Expenditures	<u>\$22,492,543</u>
26	Unreserving/(Reserving) Restricted Fund Balance	\$0
27	Estimated Contingency Fund Balance 9-30-2011	\$3,819,665

28 Detailed schedules and other data which accompany the budget are

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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RESOLUTION NO. RES-10-0111

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH AMENDING THE MASTER FEE
AND CHARGES SCHEDULE FOR SPECIFIED CITY
SERVICES FOR CITYWIDE FEES AND CHARGES FOR
THE CITY OF LONG BEACH

WHEREAS, the City Council of the City of Long Beach ("City") seeks to establish service fees and charges to recover the full, lawfully recoverable costs incurred by the City in providing services to those who request them by amending the Master Fee and Charges Schedule for specified City services for Citywide fees and charges for the City of Long Beach; and

WHEREAS, it is the City's policy to set fees and charges at full cost recovery levels, except where a greater public benefit demonstrates the need to impose a lesser fee or charge to the satisfaction of the City Council, or when it is not cost effective to do so; and

WHEREAS, the City has conducted an extensive analysis of its services, the costs reasonably borne by the City in providing those services, the beneficiaries of those services, and the revenues produced by those paying service fees and charges for said services; and

WHEREAS, on September 14, 2010, the City Council, at a duly noticed public hearing, took public testimony and input regarding certain proposed new or increased service fees and charges; and

WHEREAS, California Government Code Section 66000, et seq., authorizes the City to adopt service fees and charges for municipal services, provided such fees do not exceed the cost to the City of providing the service; and

WHEREAS, in accordance Government Code Section 66016, at least

1 fourteen (14) days prior to the public hearing at which this Resolution is adopted, notice
2 of the time and place of the hearing was mailed to eligible interested parties who filed
3 written requests with the City for mailed notice of meetings regarding new or increased
4 fees or service charges; and

5 WHEREAS, in accordance with the Government Code 66016, data
6 regarding the estimated cost of the services and the revenue sources anticipated to
7 provide the services was available for public review and comment for ten (10) days prior
8 to the public hearing at which this Resolution was adopted; and

9 WHEREAS, publication of the notice of public hearing was given in
10 accordance with the provisions of Government Code Section 6062a, ten (10) days in
11 advance of the public hearing at which the adoption of this Resolution was considered;
12 and

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

15 Section 1. The facts set forth in the Recitals of this Resolution are true
16 and correct and are hereby incorporated by reference herein as though set forth in full.

17 Section 2. The City Council hereby approves publication of the Master
18 Fee and Charges Schedule for FY 2011, as said fees are set forth in Exhibit "A", which is
19 attached hereto and incorporated herein by this reference, for specified City services for
20 Citywide fees and charges for the City of Long Beach, including those new, increased or
21 adjusted fees as set forth in Exhibit "C" which is attached hereto and incorporated herein
22 by this reference as though set forth herein word for word.

23 Section 3. Said revised Master Fee and Charges Schedule is hereby
24 directed to be made available to the public for its use for informational purposes, and is
25 not intended as a re-adoption, modification, or amendment of any existing fee or charge
26 previously established by resolution, or any previously adopted fee resolution that is not
27 in conflict with the provisions of this Resolution;

28 Section 4. The City Council hereby further adopts and approves fees and

1 charges that have been increased by the City Cost Index, a calculation of the increase in
2 the City's cost from Fiscal Year 2010 to Fiscal Year 2011 as set forth and described in
3 Exhibit "B," which is attached hereto and incorporated herein by this reference, as though
4 set forth in full, word for word, and the new, increased, or adjusted fees and charges as
5 set forth and described in Exhibit "C." The fees and charges increased by the City Cost
6 Index and those fees and charges set forth in said Exhibit "C" shall thereafter be
7 incorporated into those fees and charges previously adopted and approved by the City
8 Council by Resolution No. RES-10-0052, adopted on May 18, 2010, or other previously
9 adopted resolution, and shall collectively be known as the Master Fee and Charges
10 Schedule of the City of Long Beach and may be made available to the public for its
11 information and review.

12 Section 5. Adoption of the new, increased or adjusted fees and charges
13 set forth and described in this Resolution, and in Exhibit "C" attached hereto, are
14 intended to recover costs necessary to provide the services within the City for which the
15 fees are charged. In adopting the new, increased or adjusted fees and charges set forth
16 in this Resolution, the City Council of the City of Long Beach is exercising its powers
17 under Article XI, Section 7 of the California Constitution.

18 Section 6. All requirements of California Government Code Sections
19 66000, et seq., are hereby found to have been satisfied.

20 Section 7. The fees and charges set forth in Exhibit "C" ("List of Fiscal
21 Year 2011 Fee and Charges Adjustment") are reasonable estimates of the costs incurred
22 by the City in providing the services to those who request them. The service fees and
23 charges for such services are necessary to recover the reasonable, estimated cost of
24 providing such services.

25 Section 8. The fees and charges adopted and all portions of this
26 Resolution are severable. Should any of the fees or charges or any portion of this
27 Resolution be adjudged to be invalid and unenforceable by a body of competent
28 jurisdiction, then the remaining fees and/or Resolution portions shall be, and continue to

1 be, in full force and effect, except as to those fees and/or Resolution portions that have
2 been adjudged invalid. The City Council of the City of Long Beach hereby declares that it
3 would have adopted each of the fees or charges and this Resolution and each section,
4 subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact
5 that one or more of the service fees, charges or sections, subsections, clauses,
6 sentences, phrases or other portions of this Resolution may be held invalid or
7 unconstitutional.

8 Section 9. All provisions of prior City Council ordinances and resolutions
9 establishing fees, including, but not limited to, Resolution RES-10-0052 are hereby
10 rescinded and repealed in part or in whole to the extent of any conflict between said
11 ordinances and resolutions and the provisions established by this Resolution.

12 Section 10. The establishment of fees and charges herein is exempt from
13 the requirements of the California Environmental Quality Act (CEQA) pursuant to Public
14 Resources Code Section 21080(b)(8) and the adoption of this Resolution is for the
15 purposes of inter alia: (1) meeting operating expenses; (2) purchasing or leasing
16 supplies, equipment or materials; (3) meeting financial reserve needs and requirements;
17 or (4) obtaining funds for capital projects, necessary to maintain service within the various
18 areas of the City.

19 Section 11. This resolution shall take effect immediately upon its adoption
20 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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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 September 14, 2010, by the following vote:

Ayes: Councilmembers: Garcia, DeLong, O'Donnell, Schipske, Andrews, Johnson, Gabelich, Neal.

Noes: Councilmembers: None.

Absent: Councilmembers: Lowenthal.

Larry Hener
City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH FINDING THAT THE USE OF
5 TAXES ALLOCATED TO THE NORTH REDEVELOPMENT
6 PROJECT ON BEHALF OF THE CENTRAL
7 REDEVELOPMENT PROJECT FOR THE PURPOSE OF
8 INCREASING, IMPROVING AND PRESERVING THE
9 COMMUNITY'S SUPPLY OF LOW-AND-MODERATE-
10 INCOME HOUSING WILL BE OF BENEFIT TO THE
11 NORTH REDEVELOPMENT PROJECT
12

13 WHEREAS, the Redevelopment Agency of the City of Long Beach,
14 California (the "Agency"), adopted redevelopment plans for the North Long Beach
15 Redevelopment Project (the "North Project") and the Central Long Beach Redevelopment
16 Project (the "Central Project"); and

17 WHEREAS, Section 33334.2 of the California Community Redevelopment
18 Law (Health and Safety Code Section 33000 et seq.) requires that not less than twenty
19 percent (20%) of all taxes allocated to each project area be used by the Agency for the
20 purpose of increasing, improving and preserving the community's supply of low-and-
21 moderate-income housing available at affordable housing cost; and

22 WHEREAS, the Agency desires to utilize funds presently allocated to the
23 North Project to assist the Central Project in meeting its twenty percent (20%) set aside
24 obligation for Fiscal Years 2010-11; and

25 WHEREAS, Section 33334.3 of the Community Redevelopment Law
26 provides that the Agency may use such funds in this manner if a finding is made by
27 resolution of the Agency and the City Council that such use will be of benefit to the North
28 Project;

OFFICE OF THE CITY ATTORNEY
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333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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

Section 1. That the use of taxes in Fiscal Years 2010-11 allocated to the North Project to assist the Central Project's obligation of increasing, improving and preserving the community's supply of low-and-moderate-income housing available at affordable housing cost will be of benefit to the North Project.

Section 2. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify to the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of September 7, 2010, by the following vote:

Ayes: Councilmembers: Garcia, DeLong, O'Donnell, Schipske,
Johnson, Gabelich, Neal.

Noes: Councilmembers: None.

Absent: Councilmembers: Lowenthal, Andrews.



City Clerk

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH MAKING CERTAIN FINDINGS
REGARDING THE CONSTRUCTION OF CERTAIN PUBLIC
IMPROVEMENTS WITH REDEVELOPMENT FUNDS (CITY
PLACE PARKING STRUCTURE DEBT SERVICE)

WHEREAS, the City Council of the City of Long Beach adopted and approved a certain Redevelopment Plan (the "Redevelopment Plan") for the Downtown Redevelopment Project (the "Project"); and

WHEREAS, in furtherance of the Project and the immediate neighborhood in which the Project is located, the Redevelopment Agency of the City of Long Beach, California (the "Agency"), has recognized the need for certain public improvements, which improvements will be located within the boundaries of the Project, and proposes to use redevelopment funds to reimburse the City for the cost of constructing the improvements; and

WHEREAS, Section 33445 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) requires the Agency to make certain findings prior to the acquisition of land and construction of public improvements or facilities thereon; and

WHEREAS, Section 33678 of the Community Redevelopment Law provides that under certain conditions tax increment funds shall not be subject to the appropriations limitation of Article XIII B of the California Constitution;

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

Section 1. The City Council determines that the construction of public improvements, more particularly described in Exhibit "A", are of benefit to the Project and

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ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
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1 the immediate neighborhood in which the Project is located. This finding is supported by
2 the following facts:

3 These improvements have assisted in the removal of blight by improving
4 the availability of parking and enhanced the Downtown visitor experience, thereby
5 promoting business attraction along Pine Avenue and nearby streets.

6 Section 2. The City Council determines that no other reasonable means
7 of financing the above-described improvements are available to the community. This
8 finding is supported by the following facts:

9 Before the passage of Proposition 13, most of the City's general operating
10 and capital improvements were funded through property taxes. However, the initiative
11 placed severe constraints on the City's ability to use property tax revenues to offset
12 increases in operating and capital costs. It has also been difficult for the City, by itself, to
13 provide sufficient funds to pay the debt service for the construction of major public
14 improvements. In fiscal year 2010-2011, the limited resources of the City's General Fund
15 are committed to previously incurred obligations and planned projects.

16 Section 3. The City Council further determines that the payment of funds
17 to reimburse the City for the cost of the construction of the public improvements, will
18 assist in the elimination of one or more blighting conditions within the Project, and is
19 consistent with the implementation plan adopted pursuant to Health and Safety Code
20 Section 33490.

21 Section 4. This resolution shall take effect immediately upon its adoption
22 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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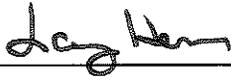
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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of September 7, 2010 by the following vote:

Ayes: Councilmembers: Garcia, DeLong, O'Donnell, Schipske,
Johnson, Gabelich, Neal.

Noes: Councilmembers: None.

Absent: Councilmembers: Lowenthal, Andrews.


City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
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EXHIBIT "A"

DESCRIPTION OF THE PUBLIC IMPROVEMENTS

Payment of debt service for bonds sold to finance original construction of the City Place parking garages and street improvements on 4th and 5th Streets.

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
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ORDINANCE NO. ORD-10-0030

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH RELATING TO ADOPTING AN AMENDMENT TO ORDINANCE NO. C-6496, ADOPTED JULY 5, 1988, AND AMENDED ON JANUARY 24, 1989, JULY 11, 1989, DECEMBER 5, 1989, MARCH 20, 1990, JULY 3, 1990, SEPTEMBER 18, 1990, JULY 2, 1991, JULY 7, 1992, JANUARY 26, 1993, AUGUST 24, 1993, JUNE 28, 1994, JULY 18, 1995, NOVEMBER 28, 1995, OCTOBER 1, 1996, MARCH 25, 1997, OCTOBER 7, 1997, OCTOBER 27, 1998, APRIL 20, 1999, OCTOBER 19, 1999, OCTOBER 17, 2000, OCTOBER 30, 2001, MARCH 19, 2002, NOVEMBER 26, 2002, JANUARY 6, 2004, FEBRUARY 8, 2005, NOVEMBER 1, 2005, DECEMBER 5, 2006, MARCH 20, 2007, MAY 22, 2007, DECEMBER 18, 2007, AND JULY 15, 2008, RELATING TO DEPARTMENTAL ORGANIZATION OF THE CITY OF LONG BEACH

The City Council of the City of Long Beach ordains as follows:

Section 1. Section 2 of Ordinance No. C-6496, adopted July 5, 1988, as amended, is amended to read as follows:

Section 2. The Departmental Organization of the City of Long Beach is hereby adopted to read as follows:

Departments, Bureaus and Divisions Created.

There are within the City the following departments of City Government, and those departments, bureaus and divisions not otherwise

1 created are hereby created and established; and the City Council
2 consolidates those departments, bureaus and divisions indicated in this
3 Section:

4 A. City Auditor Department;

5 B. City Clerk Department with the following division:

6 Administrative; and the following bureaus:

7 1. Legislative Bureau; and

8 2. Elections Bureau;

9 C. City Manager Department;

10 D. City Prosecutor Department;

11 E. Civil Service Department with the following divisions:

12 Administration and Support Services; and the following bureau and division:

13 1. Employment Services Bureau with the following
14 divisions: Employment Services; and Recruitment Services;

15 F. Development Services Department with the following division:

16 Administration; and the following bureaus and divisions:

17 1. Planning Bureau with the following divisions:
18 Engineering and Development Services; Planning; and Current Planning;

19 2. Redevelopment Bureau with the following divisions:
20 West Long Beach Industrial; North Long Beach; Downtown and West
21 Beach; Central and Poly High; Redevelopment Administration; and Special
22 Projects;

23 3. Housing Services Bureau with the following divisions:
24 Housing Development; and Housing Communications;

25 4. Neighborhood Services Bureau with the following
26 divisions: Neighborhood Improvement; Grant Administration; Code
27 Enforcement; Housing Rehabilitation Services; Nuisance Abatement; and
28 Inspection; and

1 5. Administration and Financial Services Bureau with the
2 following divisions: Administrative Services; and Financial Services;

3 Whenever the Charter or ordinances of the City or other applicable
4 laws provide that certain duties and functions shall be performed either by
5 the Planning Department or the head of the Planning Department or by the
6 Department of Building and Safety or the Superintendent of Building and
7 Safety, such duties and functions shall be performed by the head of the
8 Development Services Department or his or her designee;

9 G. Financial Management Department with the following
10 divisions: Administrative Services; Financial Systems; and the following
11 bureaus and divisions:

12 1. City Controller/Accounting Bureau with the following
13 divisions: Accounting Operations and Tidelands; Grants/Redevelopment
14 Agency and Payroll; and Accounts Payable/CIP;

15 2. Business Relations Bureau with the following division:
16 Purchasing; and Special Projects;

17 3. Commercial Services Bureau with the following
18 division: Financial Services;

19 4. Treasury Operations Bureau with the following
20 divisions: Cash Management; and Investment Management; and

21 5. Budget and Performance Management Bureau with the
22 following divisions: Budget Management; and Revenue Management;

23 H. Fire Department with the following bureaus and divisions:

24 1. Administration Bureau;

25 2. Fire Prevention Bureau with the following divisions:
26 Code Enforcement; and Community Services/Public Education;

27 3. Operations Bureau with the following divisions:
28 Operations/Facilities; Marine Safety; and Emergency Medical Services;

1 4. Support Services Bureau with the following division:
2 Training/Fleet Management;

3 5. Disaster Management Bureau with the following
4 division: Emergency Preparedness; and

5 I. Health and Human Services Department with the following
6 bureaus and divisions:

7 1. Physician Services Bureau;

8 2. Community Health Bureau with the following divisions:
9 Nutrition Services; Homeless Services; and Health Promotion;

10 3. Environmental Health Bureau with the following
11 division: Hazardous Materials;

12 4. Preventive Health Bureau with the following divisions:
13 Preventive Services; Nursing Services; and Laboratory Services;

14 5. Support Services Bureau with the following divisions:
15 Financial Services; and Personnel Services; and

16 6. Animal Care Services Bureau; and

17 7. Housing Authority Bureau with the following divisions:
18 Housing Assistance, and Special Housing Projects

19 J. Human Resources Department with the following divisions:
20 Employee Benefits and Services; and Equal Employment and Americans
21 with Disabilities Act; and the following bureaus and divisions:

22 1. Risk Management Bureau with the following divisions:
23 Loss Control and Prevention; Workers' Compensation Coordination and
24 Occupational Health Services;

25 2. Leadership and Organizational Development Bureau
26 with the following divisions: Administration; and Leadership and
27 Organizational Development;

28 3. Personnel Operations Bureau; and

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- 4. Workforce Development Bureau with the following divisions: Workforce Operations; Workforce Development; Communications; Workforce Development Board; and Enterprise Zone;
- K. Law Department;
- L. Legislative Department;
- M. Library Services Department with the following division: Administrative and Facility Management; and the following bureaus:
 - 1. Automated Services Bureau;
 - 2. North and East Neighborhood Library Services Bureau;
 - 3. Central and West Neighborhood Library Services Bureau; and
 - 4. Main Library Services Bureau;
- N. Long Beach Airport Department with the following divisions: Administration; Public Affairs; Noise; Leasing and Business Development; Special Projects; and the following bureau and divisions:
 - 1. Airport Operations Bureau with the following divisions: Operations-1; Operations-2; Operations-3; Operations-4; and Airport Security;
- O. Long Beach Gas & Oil Department with the following bureaus and divisions:
 - 1. Business Operations Bureau with the following divisions: Personnel Services; Financial Services; Safety; and Call Center Services;
 - 2. Gas Services Bureau with the following division: Customer Service;
 - 3. Engineering and Construction Bureau with the following divisions: Pipeline Maintenance; and Engineering;
 - 4. Electric Generation Bureau with the following division:

1 SERRF Operations; and

2 5. Gas and Oil Operations Bureau with the following
3 divisions: Energy Services; Planning and Unit Operations; Reservoir
4 Operations; Production Operations; and Subsidence and Geology;

5 Whenever the Charter or ordinances of the City or other applicable
6 laws provide that certain duties and functions shall be performed either by
7 the Oil Properties Department or the head of the Oil Properties Department,
8 such duties and functions shall be performed by the head of the Long
9 Beach Gas and Oil Department or his or her designee;

10 P. Parks, Recreation and Marine Department with the following
11 division: Special Projects; and the following bureaus and divisions:

12 1. Business Operations Bureau with the following
13 divisions: Personnel and Training; Finance and Controls; Contract
14 Management and Golf Operations; Accident Prevention and Safety; and
15 Community Information and Graphics;

16 2. Community Recreation Services Bureau with the
17 following divisions: Citywide Administration; Community Services; Area I;
18 Area II; Area III; Citywide Programs; Citywide Services; Aquatics; and
19 Rangers;

20 3. Maintenance Operations Bureau with the following
21 divisions: Park Facilities Maintenance; Marine Maintenance; Beach
22 Maintenance/Queensway Bay; and Grounds Maintenance;

23 4. Planning and Development Bureau with the following
24 divisions: Development; Historic Sites; and Tidelands Development; and

25 5. Marine Bureau with the following division:
26 Administration;

27 Q. Police Department with the following divisions: Chief of Staff;
28 Internal Affairs; Employee Assistance; and the following bureaus and

1 divisions:

2 1. Investigations Bureau with the following divisions:
3 Detective; Gang/Violent Crimes; and Forensic Science Services;

4 2. Patrol Bureau with the following divisions: Patrol -
5 East; Patrol - North; Patrol - South; Patrol - West; and Field Support;

6 3. Administration Bureau with the following divisions:
7 Fiscal; Records and Technology; and Personnel; and

8 4. Support Bureau with the following divisions: Jail;
9 Training; and Emergency Operations;

10 R. Public Works Department with the following bureaus and
11 divisions:

12 1. Business Operations Bureau with the following
13 divisions: Budget Services; Personnel Services; and
14 Communications/Community Information;

15 2. Public Services Bureau with the following divisions:
16 Traffic Operations; Street Maintenance; Facilities Management; and Safety
17 and Disaster Preparedness;

18 3. Engineering Bureau with the following divisions:
19 Construction Services; Design; Storm Water/Environmental Compliance;
20 Project Management; Transportation Engineering; and Transportation
21 Programs;

22 4. Environmental Services Bureau with the following
23 divisions: Administration/Recycling/Special Projects; Operations; Refuse;
24 and Street Sweeping/Clean Long Beach;

25 5. Fleet Services Bureau with the following divisions:
26 Fleet Operations; Fleet Acquisitions; Fleet Maintenance; and Towing/Lien
27 Sales; and

28 6. Asset Management Bureau with the following divisions:

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Real Estate Acquisitions; Real Estate Leasing; and Parking Operations;

S. Technology Services Department with the following division:

Administrative Services; and the following bureaus and divisions:

1. Operations Support Bureau with the following divisions:

Finance; and Office Services;

2. Infrastructure Services Bureau with the following

divisions: Telecommunications; Wireless Communications; and Operations

Center;

3. Business Information Services Bureau with the

following divisions: Business Information Systems; and Business

Information Technology; and

4. Customer Services Bureau with the following divisions:

Customer Support; Video Communications; and Office Services.

Section 3. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three (3) conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the Mayor.

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I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of September 21, 2010 by the following vote:

Ayes: Councilmembers: Garcia, Lowenthal, DeLong,
O'Donnell, Schipske, Andrews,
Johnson, Neal.

Noes: Councilmembers: None.

Absent: Councilmembers: Gabelich.


City Clerk

Approved: 9/27/10
(Date)


Mayor

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

RESOLUTION NO. RES-10-0108

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH ADOPTING AN APPROPRIATIONS
LIMIT FOR THE CITY OF LONG BEACH FOR THE 2010-
2011 FISCAL YEAR PURSUANT TO ARTICLE XIII(B) OF
THE CALIFORNIA CONSTITUTION

WHEREAS, Article XIII(B) of the California Constitution provides for an annual appropriations limit for state and local governments beginning with the 1980-81 fiscal year, based on 1978-79 appropriations, as adjusted for specified annual changes in population and inflation; and

WHEREAS, Section 7910 of the Government Code also provides that 15 days prior to such meeting, documentation used in the determination of the appropriations limit shall be available to the public; and that each year the City Council shall, by resolution, establish the appropriations limit for the City of Long Beach for the following fiscal year; and

WHEREAS, Proposition 111 subsequently amended Article XIII(B) of the California Constitution to provide for certain revisions in the population and inflation factors used in the calculation of the appropriations limit and to provide for a recalculation of the appropriation limit date for the years 1987-88 through 1990-91; and

WHEREAS, Proposition 111 provided that one factor that may be used in the calculation of the appropriations limit is the increase in local non-residential assessed value due to new construction; and

WHEREAS, the documentation which is attached hereto and made a part hereof as Exhibit "A" was used in the determination of the appropriations limit for the 2010-2011 fiscal year, and has been available for public inspection in the office of the City Clerk since August 19, 2008;

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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

Section 1. The appropriations limit for the City of Long Beach for fiscal year 2010-2011 shall be \$566,990,635.

Section 2. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of September 7, 2010, by the following vote:

Ayes: Councilmembers: Garcia, DeLong, O'Donnell, Schipske,
Johnson, Gabelich, Neal.

Noes: Councilmembers: None.

Absent: Councilmembers: Lowenthal, Andrews.



City Clerk

"EXHIBIT A"

CITY OF LONG BEACH

**I. DETERMINATION OF FISCAL YEAR 2010-2011
APPROPRIATIONS LIMIT
Based On Budgeted Revenues**

2009-2010 Appropriations Limit:	\$577,264,865
Adjustment Factor (See Below):	0.982202
2010-2011 Appropriations Limit:	\$566,990,635

II. DETERMINATION OF APPROPRIATIONS FACTOR

Price Factor:	0.974600
Change in Per Capita Income Department of Finance estimate pursuant to Revenue Tax Code, Sec. 2227 and 2228, California = -2.54% Ratio = $(-2.54+100)/100 = 0.9746$	
Population Change:	1.007800
Department of Finance estimate pursuant to Revenue Tax Code, Sec. 2227 and 2228, California = 0.78% Ratio = $(.78+100)/100 = 1.0078$	
Adjustment Factor:	0.982202
0.9746 x 1.007800 Factors were converted to ratios per State guidelines.	