

Financial Management



John Gross, Director of Financial Management

Lea Eriksen, Manager, Budget Management Bureau

Stephen Hannah, City Controller

David Nakamoto, City Treasurer

Pamela Horgan, Manager, Commercial Services Bureau

Jason MacDonald, Manager, Business Services Bureau

Dan Berlenbach, Manager, Fleet Services Bureau

Department Overview

Mission:

To manage City financial operations, to provide financial policy advice and direction that keeps the City financially strong, to provide transparent financial reporting, to provide a sound budget process enabling budgetary decisions that serve the best interest of the City, and to provide collection and business services in a manner that well serves City goals.

Core Services:

- Accounting and financial reporting
- Accounts payable
- Budget development and budget decision processes
- Debt issuance and management
- Investment of funds
- Financial controls
- Development of financial and budgetary policies
- Provision of financial advice
- Promote long-term fiscal strength and sustainability
- Purchasing management
- Business licensing
- Monitor outstanding debt obligations and issue debt in accordance with policy and good financial practices
- Provide excellent support and self-service options to all customers
- Help to create and maintain a “friendly to business” approach

FY 15 Focus:

The Department of Financial Management will focus on core services during FY 15 and on the strengthening of operations to address these services and prepare the City for the continued financial stresses expected in the years ahead. The Department is continuing to review its operations to discover more efficiencies and focus more on its core services. New systems are expected to be both implemented and planned.

Department Performance Measures

Key Measure	FY 13 Actual	FY 14 Target	FY 14 Estimate	FY 15 Projection
Percentage of dollars spent with Long Beach businesses	33%	32%	31%	32%

The City of Long Beach, through its Purchasing Division, sends weekly updates to 30 local, minority and women-owned business groups to communicate open bid opportunities. In an effort to increase dollars spent with local businesses, Long Beach business are encouraged to submit bids for City contracts. The Purchasing Division assists businesses to register on the City's electronic bidder's database to download bid specifications. The percentage of dollars spent with Long Beach businesses continues to be steady despite a downward trend in total City expenditures for goods and services. The slightly higher percentage in FY 13 is attributable to a large construction project. The FY 15 projection assumes a sustained level of bids awarded to local vendors. The Purchasing Division is committed to continuing its outreach to local vendors in order to maintain or increase dollars spent with Long Beach businesses.

Key Measures	FY 13 Actual	FY 14 Target	FY 14 Estimate	FY 15 Projection
Number of preventative maintenance services completed	7,813	7,850	8,113	8,356
Percentage of alternative fueled vehicles in the Fleet	20.3%	23.0%	24.0%	25.0%

Fleet strives to perform services in line with industry standards. As part of the City's continuing effort to improve air quality for its residents and businesses, Fleet performs regular maintenance and replaces older vehicles and equipment with cleaner, alternative fuel units. Natural gas fueled (LNG and CNG) and Hybrid/Electric vehicles will be added to City's fleet inventory in FY 15. Compliance with State mandated regulations to reduce emissions have been, and will be, consistently met.

Key Measure	FY 13 Actual	FY 14 Target	FY 14 Estimate	FY 15 Projection
Percentage of ambulance fees collected within the first eighteen months	56%	60%	58%	58%

In FY 13, the Commercial Services Bureau collected an average of 56 percent of Advanced Life Support (ALS) and Basic Life Support (BLS) ambulance transport fees within the first eighteen months from dates of service in late 2011 and early 2012. Collection rates for ambulance bills are relatively low throughout the industry, and collections are better now than when they were partially privatized. The actual final collection rate is significantly higher after action is taken that includes filing small claims court actions, intercepting state income tax refunds, and credit reporting by the collection agency. While the majority of the revenue is collected within the first eighteen months after date of ambulance service, debts continue to be pursued and collected for up to three years and as many as ten years with a small claims judgment.

FY 14 Accomplishments

Accounting Bureau

- Completed FY 13 Comprehensive Annual Financial Report (CAFR), dated March 28, 2014, with an unmodified opinion.
- Received the Government Finance Officers' Association's Certificate of Achievement for Excellence in Financial Reporting for the City's FY 12 Comprehensive Annual Financial Report (CAFR).
- Received unmodified opinions in all audited grants in the Federal Single Audit.
- Successfully monitored capital improvement projects for maximum funding from external sources.

Budget Management Bureau

- Delivered a structurally balanced General Fund proposed budget for the eighth consecutive year, in an effort to achieve fiscal sustainability for the City.
- Finalized the agreement and implementation of a tax revenue sharing agreement which generated \$1.1 million in the first year.
- Supported the consolidation of a local sales office to increase sales tax revenues.
- Continued to monitor and negotiate with Port contractors regarding Use Tax from Port construction projects and leases. These projects, which are estimated at approximately \$3 billion, are projected to result in significant General Fund sales/use tax revenues over the next several years.
- Conducted analyses of City pension changes by the State in preparation for future year budgets.
- Developed new fund summaries for City funds to provide a more understandable presentation of fund resources and requirements in FY 15.

Commercial Services Bureau

- Used the State Franchise Tax Board Intercept Program to recover unpaid utility bills, ambulance transport charges, parking citations, business license fees, and other bad debts from State income tax refunds.
- Filed 324 Small Claims Court actions in the first eight months of FY 14. The majority of the cases were delinquent utility bills, business licenses and ambulance transports.
- Replaced the City's outdated parking citation system and implemented a new integrated processing system and collection services with improved business processes, which is expected to increase revenues.
- Assisted with the installation of the new Utilities Customer Care and Billing System. Utilizing the latest in technology, the new system will evolve with our business demands and assist in maximizing revenues.

Treasury Bureau

- As of May 31, 2014, the pooled investment portfolio of the City had a portfolio balance of approximately \$1.3 billion. The weighted average fiscal year to date return through May 31, 2014, is 0.29% (annualized), with approximately \$4.4 million in total fiscal year to date earnings. The portfolio continues to meet or exceed all benchmark targets.
- Between October 2013 and June 2014, Treasury completed a bond refunding, thereby issuing approximately \$384 million, reducing future debt service by over \$10.6 million, and providing project funding.

FY 14 Accomplishments

Business Services Bureau

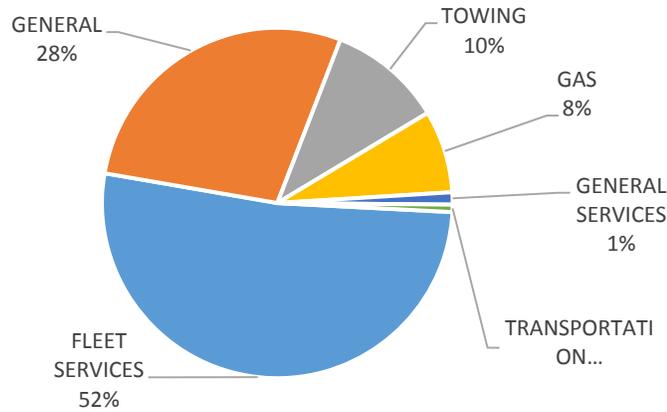
- Increased businesses registered in the City's Online Bidder's database PlanetBids by 10 percent from the previous year, to 15,066.
- As of June 2014, issued 2,200 new Business Licenses, 23 Entertainment Permits, and 158 Occasional Event Permits for FY 14.
- Continued the implementation of the Small Business Enterprise Program. As of June 2014, there are 3,356 City of Long Beach certified Small Business Enterprises. This is an increase of 712, or 27 percent, from FY 13 certified Small Business Enterprises.
- Continued monitoring and compliance for projects that are subject to the Department of Housing and Urban Development (HUD) Section 3 policy.

Fleet Services Bureau

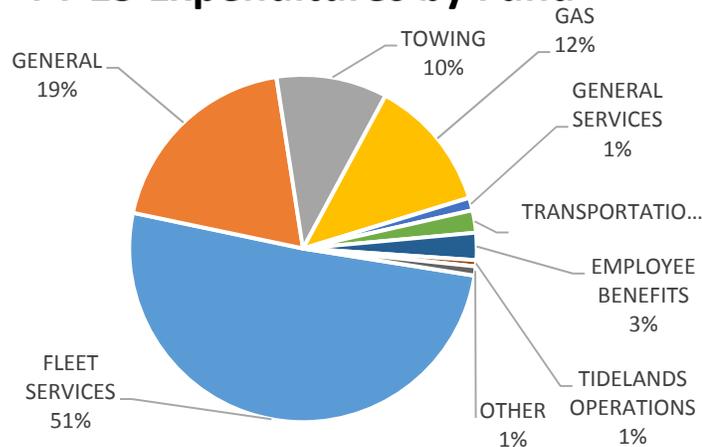
- Continued to maintain a high level of preventative maintenance services. Performed 1,115 Police vehicle oil and filter changes at a flat rate cost of \$50 and performed 397 Police vehicle annual preventative maintenance at a flat rate cost of \$100 for FY 14.
- Certified by Automotive Service Excellence (ASE) as a Blue Seal Repair Station since 2008.
- Responded to 86.14 percent of all towing requests within 25 minutes or less, with 89.5% of all light tows handled by City staff as of May 2013.
- Initiated replacement of 65 gas powered vehicles with alternative fueled vehicles, resulting in reduced greenhouse gas emissions and lower fuel costs.
- Completed installation of fuel storage tanks at Fire Station 12 and the Shoreline site in the Marina
- Completed installation of an additional 251 Zonar telematics devices on City vehicles.

FY 15 Budget

FY 15 Revenues by Fund



FY 15 Expenditures by Fund



Fund Impact

Fund	Revenues	Expenditures	Fund Impact
Fleet Services	33,975,378	33,277,925	697,453
General	18,427,031	12,610,210	5,816,821
Towing	6,905,291	6,763,428	141,863
Gas	4,983,706	8,135,115	(3,151,409)
General Services	736,043	770,293	(34,250)
Transportation	453,500	1,362,589	(909,089)
Employee Benefits	-	1,657,207	(1,657,207)
Tidelands Operations	-	376,055	(376,055)
Insurance	-	165,983	(165,983)
Grants	-	164,712	(164,712)
Marina	-	89,289	(89,289)
Rainbow Harbor Area	-	71,513	(71,513)
Housing Development	-	42,349	(42,349)
Housing Authority	-	13,149	(13,149)
Health	-	10,210	(10,210)
Total	65,480,949	65,510,027	(29,077)

Summary of Adopted Changes*

GENERAL FUND	Impact on Fund	Positions
Move analytical support related to Commercial Services from Technology Services to Financial Management. (No net staff increase)	-	1.00
Implement various organizational, staffing, and materials budget changes to assist with operational and budget management.	-	(1.10)
Subtotal: General Fund	-	(0.10)
FLEET FUND	Impact on Fund	Positions
Increase budget for telemetric (GPS) Vehicle Tracking and automotive and equipment parts cost increases to reflect actual costs.	\$417,000	-
Non-recurring adjustment for the Fleet Acquisition Replacement Fund, bringing the total FY 15 appropriation to \$11 million. As existing vehicles are retired, the Fleet Bureau will focus on replacing the City's fleet with electric vehicles and other more fuel efficient options.	\$4,091,880	-
Non-recurring increase for Fleet maintenance shop heating system, roof repair, and painting/maintenance of exterior surfaces of Fleet, Environmental Services, and Towing buildings.	\$606,000	-
Non-recurring transfer to General Services Fund for the FY 15 Fleet portion of Financial / Human Resources System costs.	\$195,741	-
Subtotal: Fleet Fund	\$5,310,621	-
GAS FUND	Impact on Fund	Positions
Increase Commercial Services Bureau MOU expense to cover the increased cost of business related to postage rate increases, additional mailings and software and hardware charges.	\$80,678	-
Subtotal: Gas Fund	\$80,678	-
TIDELANDS OPERATIONS FUND	Impact on Fund	Positions
Increase accounting oversight to reflect actual activity.	\$52,208	0.37
Subtotal: Tidelands Operations Fund	\$52,208	0.37
TIDELANDS MARINA FUND	Impact on Fund	Positions
Increase accounting oversight to reflect actual activity.	\$10,449	0.12
Subtotal: Tidelands Marina Fund	\$10,449	0.12
RAINBOW HARBOR AREA FUND	Impact on Fund	Positions
Increase accounting oversight to reflect actual activity.	\$2,405	0.11
Subtotal: Rainbow Harbor Area Fund	\$2,405	0.11
TOWING FUND	Impact on Fund	Positions
Implement various organizational, staffing, and materials budget changes to assist with operational and budget management.	-	(0.62)
Non-recurring transfer to General Services Fund for the FY 15 Towing portion of Financial / Human Resources System costs.	133,712	-
Subtotal: Towing Fund	\$133,712	(0.62)

* For ease of review, all reallocations of resources within departments, offsets, adjustments, and minor changes have not been included.

Administration Bureau

Key Services:

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| <p>1. Employee Hiring</p> <ul style="list-style-type: none"> • Development of job descriptions • Position control and reporting • Hiring plan development and approval • Recruitment and selection support • Employee processing and orientation <p>2. Employee Administration</p> <ul style="list-style-type: none"> • Compensation/benefit management • Disability/leave coordination • Performance and conduct management • Training opportunities • Supervisor guidance • Workplace investigations <p>3. Safety and Disaster Management</p> <ul style="list-style-type: none"> • Ergonomic coordination • Worker's Compensation management • Safety inspections and compliance • Emergency/disaster planning and response | <p>4. Budget Development and Management</p> <ul style="list-style-type: none"> • Resource analysis • Budget proposal development • Monitoring of actual expense/revenue <p>5. Office Management and Communications</p> <ul style="list-style-type: none"> • Council letters • Quality control of major documents • Public Records Act and subpoena coordination • Interdepartmental communications • Clerical supervision <p>6. Leadership & Special Analysis</p> <ul style="list-style-type: none"> • Project management • Policy and procedure development • Executive management requests • Department direction |
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FY 15 Funding Source: General Fund 100%

Administration	Actuals FY 13	Adjusted* FY 14	Adopted** FY 15
Revenues	982	-	-
Expenditures	37,427	25,724	-
FTEs	4.00	5.00	5.00

*Amounts as published in the FY 15 Proposed Budget released July 2, 2014

**Amounts exclude all-years carryover

Narrative:

The Administration Bureau provides support and coordination for the other seven Bureaus within Financial Management. The Bureau provides extensive financial reporting, processing, reporting and forecasting support within the Department. It plays a key role in departmental strategic planning, research efforts and in exploring new methods for maximizing efficiencies and reducing ongoing costs. In FY 15, the Bureau will continue its focus on central financial and budget policies as well as improving the strength of the Department while striving to increase efficiency. The budget is charged to the other bureaus in Financial Management.

Accounting Bureau

Key Services:

- 1. Financial Accounting**
 - Review financial records/transactions
 - Annual audits management, response and reporting
 - Procedural/system control enhancement
- 2. Internal and external financial reporting**
 - CAFR report preparation and other State and on-demand regulatory reports
- 3. Citywide accounting standard interpretation and consultation**
 - GASB and other authoritative standard interpretation and implementation
 - General Citywide training and department audit consulting
 - FM Accounting staff development
- 4. Special Accounting**
 - Grants and CIP accounting and billings
 - Oil and Oil Production
 - Indirect Cost Plan
 - Tidelands and Successor Agency
 - Single and Program Audits
- 5. Payroll**
 - Payroll processing
 - Implementation of regulatory changes
- System updates and maintenance
- CalPers/Federal/State reporting
- Benefits rate monitoring/development
- Employee withholding processing
- 6. Accounts Payable**
 - 1099 generation and reporting
 - Payment processing review
 - Sales and use tax reporting
 - Document management
 - W9 verification and tracking
- 7. Financial Systems**
 - Management of financial systems and interfaces with ancillary systems
 - System security, validation, troubleshooting, training and help desk
 - Technology integration and ancillary systems data reporting enhancements
 - New system evaluation, integration and project consultation
- 8. Special Projects**
 - Public Records Act requests
 - Financial analysis and projections
 - Emergency management accounting

FY 15 Funding Sources: General Fund 48%, Employee Benefits Fund 22%, General Services Fund 15%, Tidelands Operations Fund 5%, Insurance Fund 3%, Community Development Grants Fund, 3%, Marina and Rainbow Harbor Area Funds 2%, Rainbow Harbor Area Fund 1%, Housing Development Fund 1%

Accounting	Actuals FY 13	Adjusted* FY 14	Adopted** FY 15
Revenues	1,041,119	1,238,143	738,143
Expenditures	4,768,789	5,141,690	5,204,963
FTEs	34.00	34.00	34.00

*Amounts as published in the FY 15 Proposed Budget released July 2, 2014

**Amounts exclude all-years carryover

Narrative:

The City Controller's Office/Accounting Bureau continues to provide service levels to the City's 22 distinct departments and its subsidiaries across 37 funds (reported as 39 funds for CAFR purposes). The Bureau's main focus is to (a) ensure compliance with statutes, regulations, Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB) pronouncements and governmental auditing standards and (b) provide guidance and support to departments citywide. The ongoing receipt of the GFOA Certificate for Excellence in Financial Reporting is an indication of the quality of the reports produced.

Budget Management Bureau

Key Services:

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| <p>1. Current Year Budget Management</p> <ul style="list-style-type: none"> • Budget adjustments • Quarterly performance reports • Debt allocation • Preparation of year-end estimates • Department monitoring <p>2. Budget Development</p> <ul style="list-style-type: none"> • Base budget preparation • Review of department proposals • Publication of community and budget books • Forecasting of revenues • Target and guidelines development • Management of budget timeline/process • Budget meetings <p>3. Departmental Budget Assistance</p> <ul style="list-style-type: none"> • Review of personnel requisitions • Training and assistance for department budget staff • Council letter review | <p>4. Long Range Financial Forecasting and Planning</p> <ul style="list-style-type: none"> • Long-term forecasting • Economic analysis • Financial plan development • Fiscal capacity analysis • Financial policy monitoring <p>5. Special Analyses</p> <ul style="list-style-type: none"> • Exec management projects and reports • Council requests • Public records requests • Labor negotiation analysis <p>6. Revenue Maintenance and Maximization</p> <ul style="list-style-type: none"> • Contract administration • Sales tax monitoring • Rebates processing • Shared revenue agreement administration • Fee updates and management |
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FY 15 Funding Sources: General Fund 70%, Employee Benefits Fund 25%, Tidelands Operations Fund 5%

Budget Management	Actuals FY 13	Adjusted* FY 14	Adopted** FY 15
Revenues	40	-	-
Expenditures	1,700,762	1,984,996	2,099,413
FTEs	12.00	12.00	12.00

*Amounts as published in the FY 15 Proposed Budget released July 2, 2014

**Amounts exclude all-years carryover

Narrative:

The Budget Office is responsible for developing a key annual policy document the City produces, the City Manager’s proposed budget, and for monitoring the adopted budget. The Budget Office also provides long-term financial projections and recommendations for achieving long-term fiscal health and strength. As part of the Bureau’s responsibility for Citywide budget development and monitoring, it provides a full menu of services citywide, including: developing the process for and then building a proposed budget in conformance with the direction of the City Manager; providing relevant, accurate and timely budgetary information; supporting the City Manager, City Council, the Budget Oversight Committee; providing community outreach on the City’s budget and support; and providing oversight of departmental budgetary actions.

The focus in FY 15 will be to continue to actively explore and develop opportunities to increase revenue for the City, including cost recovery through fees and sales tax and other revenue-sharing agreements with the private sector. The Bureau will also emphasize streamlining and simplifying budgetary policies and procedures, and enhancing the City’s long-range financial forecasting capabilities to better assess financial risks and opportunities.

Commercial Services Bureau

Key Services:

1. Utility Billing

- In-person customer service
- Bill generation, quality control, and dispute resolution
- Payment and refund processing
- Collection of unpaid City debts
- Process bankruptcy billings
- Meter reading

2. Parking Citations

- Receive/process citations from field staff
- Research necessary billing information
- Customer service
- Disputed citation review and resolution
- Payment and refund processing
- Collection of unpaid City debts
- Remit revenues to issuing agencies
- Preferential Parking administration

3. Ambulance Billing

- Collect and research billing information
- Bill generation, quality control, and dispute resolution
- Payment and refund processing

- Collection of unpaid City debts
- Issue and monitor payment plans
- Process bankruptcy cases

4. Billing Services for Other City Departments

- Centralized bill generation, quality control, and dispute resolution
- Customer service
- Payment and refund processing
- Collection of unpaid City debts

5. Additional Cashiering Services

- Process mail and perform research
- Accept and verify deposits from City departments
- Secure money
- Maintain equipment and systems
- Reconcile with City financial systems
- Administer/monitor credit card processor and remote pay station contracts
- Enforce State/Federal regulations
- Public Records Act requests

FY 15 Funding Sources: Gas Fund 67%, General Fund 33%

Commercial Services	Actuals FY 13	Adjusted* FY 14	Adopted** FY 15
Revenues	9,879,497	9,188,129	9,405,507
Expenditures	11,476,121	11,803,440	12,060,675
FTEs	49.59	49.59	50.59

*Amounts as published in the FY 15 Proposed Budget released July 2, 2014

**Amounts exclude all-years carryover

Narrative:

The Commercial Services Bureau provides a range of customer and financial services to the City and its residents, including billing, collections, payment processing, and customer service. The Bureau provides collection activities for ambulance transports, permits, business licensing, parking citations, marina slip fees, utility services, and various other City services. For instance, the Bureau currently works with the State to recover funds from income tax returns for small claims court judgments on delinquent accounts for utility bills, ambulance transport charges, business license fees, parking citation fees, etc.

The Bureau replaced its existing antiquated parking citation system with an integrated, web-based, single-version software solution. This technology is up-to-date, scalable, adaptable, and provides an intuitive, user-friendly interface for staff and customers. With this technology, the City is able to integrate parking citation issuance (manual and via handheld devices), processing, billing, adjudication, collections, and permitting functions into a unified, comprehensive, cost-effective and user-oriented system. This improves data management, expands online services, and reduce manual processes. All

Commercial Services Bureau

of these improvements taken together allows for increased efficiency and greater focus on revenue research and collection.

The Bureau provides utility-related services including direct in-person customer contact, payment processing, billing, meter reading, and in-house collection activity for the City's gas, water, trash, recycling and sewer utilities. Along with the Utility Departments, the Bureau recently completed the installation of a new Utilities Customer Care and Billing System (CC&B). CC&B handles every aspect of utility customer service connection including meter reads, meter data management, rating, billing, and customer management, while also undertaking associated functions like payment processing, credit and collections, and field service. It also includes a new web portal, making online interaction to and from customers a valuable extension of our excellent customer service. The new system was designed to evolve with our business demands and assist in maximizing revenue, creating cost efficiencies, and allowing flexibility as future priorities change.

City Treasurer Bureau

Key Services:

- 1. Cash Management**
 - Liquidity management and assurance
 - Invest City pooled funds and segregated bond proceeds
 - Distribute manual checks, payroll checks, and vouchers
 - Credit card payment receipt
 - Claim dormant unclaimed funds for City
 - Manage investment advisor relationship
 - Manage Investment Advisory Committee
- 2. Debt Management (Bonds, Commercial Paper, Leases)**
 - Debt issuance, liquidity facilities
 - Legal compliance monitoring, reporting
 - Manage debt service payments
 - Manage bond draws
 - Manage assess districts, consultant, and district reporting
 - Manage conduit debt and reporting
- 3. Utility Users Tax (UUT)**
 - Process UUT revenue receipts from utilities
 - Manage UUT waiver requests (single metered accounts)
 - UUT Senior/Disabled Refund Program (shared meter accounts)
- 4. Performance Bond Safekeeping**
 - Inventory, secured storage, and return
- 5. Deferred Compensation Administration**
 - Administer 457 Plan (deferred compensation plan)
 - Administer PARS Plan (part-time employee plan)
- 6. Rating Agency and Investor Communication Management**
 - Rating agency communications
 - Investor communications
 - Investor relations (website, disclosures, and financial information)

FY 15 Funding Sources: General Fund 100%

City Treasurer	Actuals FY 13	Adjusted* FY 14	Adopted** FY 15
Revenues	1,393,365	1,516,676	1,632,940
Expenditures	1,159,628	1,572,272	1,627,940
FTEs	7.50	8.00	8.00

*Amounts as published in the FY 15 Proposed Budget released July 2, 2014

**Amounts exclude all-years carryover

Narrative:

The Bureau manages an estimated \$1.3 billion investment portfolio while also managing outstanding City debt obligations currently totaling more than \$2.1 billion.

The Treasury Bureau is responsible for managing the City's investments, cash, and debt, as well as ensuring compliance with internal and external policies and regulations. Additional duties included providing optimal solutions to ensure safety and liquidity in support of the City and enterprise fund cash requirements, assistance in financing instruments for City and enterprise fund infrastructure, and capital and leasing programs. The Treasury Bureau also provides administrative services to two deferred compensation programs, two assessment districts, a utility district, and seven community facility districts.

The City's investment portfolio continues to receive "AAA" rating from Standard & Poor's; however, with the downgrade of the United States Treasuries to "AA+", it is expected that the City's portfolio will receive a similar rating in the near future. As an issuer of debt, the City of Long Beach received affirmation of "Aa2" and "AA" from Moody's and Fitch Ratings, respectively. In addition, Standard and Poor's issued an implied rating of "AA-".

Business Services Bureau

Key Services:

1. Purchasing

- Review requests, determine procurement method
- Develop and post bid package
- Review and prepare procurement-related council letters
- Bidder communication and validation
- Create or renew purchase orders
- Purchasing card administration
- Online bidding system management
- Citywide training
- Customer service

2. Program/Contract Compliance

- HUD Section 3
- Disadvantage Business Enterprise
- Small Business Enterprise
- Equal Benefits Ordinance
- Project Labor Agreement administration
- Construction Employee Compensation compliance
- Customer service

3. Transient Occupancy Tax Administration

4. Business Licenses

- Application review and processing
- Conditional licenses
- Entertainment permits
- Smoking lounge permits
- Customer service

5. Permits

- Alarm permits
- Special events permits
- Garage sale permits
- Occasional event permits
- Customer service

6. Business License Enforcement

- Complaints/council inquiries
- Revocations/denials
- Field inspection (including medical marijuana)
- Customer service

7. Special Projects

- Public Records Act requests
- Web support

FY 15 Funding Sources: General Fund 100%

Business Services	Actuals FY 13	Adjusted* FY 14	Adopted** FY 15
Revenues	12,575,329	12,980,388	12,370,190
Expenditures	2,227,927	4,674,872	2,481,388
FTEs	18.50	20.00	18.00

*Amounts as published in the FY 15 Proposed Budget released July 2, 2014

**Amounts exclude all-years carryover

Narrative:

The Purchasing Division, as part of the Business Services Bureau, has completed implementation of purchasing thresholds approved by City Council in FY 13. These thresholds were intended to aid in reducing the Purchasing Division's workload and streamlining and improving purchasing processes. Purchasing has conducted competitive bids for significant citywide services during FY 14, including planning, engineering, architectural, transmission, welding, weed abatement, and sidewalk cleaning services.

The Bureau provides on-going contract compliance for HUD Section 3 related construction contracts, and administers the Equal Benefits Ordinance, which requires contractors on City contracts to provide benefits to their employees with domestic partners equivalent to those provided to their employees with spouses. The Bureau also manages the electronic bidder management system that is available via the City's website. The system increases the number of available bidders, creating competition for the City's businesses and resulting in better pricing of goods and services. The system allows for certification of Small Business Enterprises (SBE), Very Small Business Enterprises (VSBE), and Long Beach Small

Business Services Bureau

Business Enterprises (LSBE). The Bureau is responsible for the local preference program whose purpose is to stimulate local job growth, increase sales tax revenue, and keep revenue in the City. The Purchasing Division provides local outreach by contacting Long Beach businesses for every applicable purchasing bid. The number of local registered vendors has increased from 1,622 as of May 2013 to 1,676 as of June 2014.

The Bureau also administers business licenses and permits. In FY 15, a License Inspector will continue to work Saturdays to investigate illegal yard sales and business complaints. Inspectors will also investigate and monitor businesses for compliance, respond to complaints, and provide collections of City revenue on outstanding accounts.

Fleet Services Bureau

Key Services:

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| <p>1. Fleet Acquisition and Disposal</p> <ul style="list-style-type: none"> • Identification of replacement vehicles • Department communications • Vehicle cost/funding source analysis • Vehicle outfitting • Vehicle decommissioning • Vehicle disposal <p>2. Fleet Maintenance</p> <ul style="list-style-type: none"> • Preventative Maintenance • Unscheduled Maintenance • Preventative Maint-Heavy • Unscheduled Maint-Heavy • Autobody Repair <p>3. Inventory Storage and Management</p> <ul style="list-style-type: none"> • Supplies and Equipment management • Hazardous materials handling | <p>4. Citywide Fuel Supply and UST Compliance</p> <ul style="list-style-type: none"> • Underground storage facility monitoring • Construction/upgrade of fueling system • Fuel purchase • Fuel site remediation • Regulatory reporting <p>5. Towing and Dispatch</p> <ul style="list-style-type: none"> • Contract management • Roadside service calls / assistance • Towing • Dispatch <p>6. Impounded Vehicle Lot Management</p> <ul style="list-style-type: none"> • Vehicle and property auctions • Counter, phone and payment services • Evidence preservation • Lot service - customer escort, jump starts, Police assistance |
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FY 15 Funding Sources: Fleet Fund 81%, Towing Fund 19%, Transportation Fund 3%

Fleet Services	Actuals FY 13	Adjusted* FY 14	Adopted** FY 15
Revenues	-	40,204,945	41,334,169
Expenditures	-	35,549,019	41,403,943
FTEs	-	108.30	110.30

*Amounts as published in the FY 15 Proposed Budget released July 2, 2014

**Amounts exclude all-years carryover

Note: The FY 14 budget includes the transfer of the Fleet Services Bureau from the Public Works Department to the Financial Management Department. Prior year details about the Bureau and its funds can be found in the Fleet Services Bureau section of Public Works Department budget chapter.

Narrative:

Systems used to manage fleet maintenance and fueling needs are being scheduled for upgrade in FY 15 to better manage the City's fueling operations, improve fleet maintenance response time, enhance ad hoc reporting capabilities for performance tracking, and enable user departments to access fleet data via web based browsers.

The Underground Storage Tank (UST) Compliance Program will replace aging infrastructure at several fuel sites in FY 15 to minimize environmental contamination risks. Fleet will continue to monitor the impact of increased fuel prices to departments.

Financial Controls Bureau

Key Services:

1. Improve Financial Controls and Processes

- Review and evaluate process and control weaknesses
- Research best practices, solutions, and tools
- Facilitate department meetings
- Recommend and implement solutions
- Reports, presentations on findings/recommendations

2. Citywide Financial Policy/Procedures Trainings

- Assess training needs
- Develop materials and training implementation plan

3. Review, Evaluate, and Implement Audit Findings

- Evaluate Auditor's findings and recommendations
- Facilitate department implementation

FY 15 Funding Source: General Fund 100%

Financial Controls	Actuals FY 13	Adjusted* FY 14	Adopted** FY 15
Revenues	-	-	-
Expenditures	123,596	618,680	631,705
FTEs	3.00	3.00	3.00

*Amounts as published in the FY 15 Proposed Budget released July 2, 2014

**Amounts exclude all-years carryover

Narrative:

The Financial Controls Bureau is a small operation that is intended to focus on improving financial controls and management throughout the City. The Bureau is a proactive measure to address control issues that can otherwise result in higher than normal rates of errors, fraud, financial, or operational problems. The Bureau will support the development and maintenance of a culture throughout the City that places greater emphasis on controls and financial management. In the near-term, this Bureau will focus on processes and controls for the new financial systems and emergency purchasing. Over the long-term, the Bureau expects to focus on improving controls and financial management throughout the City. A variety of techniques will be used including training, observation/review, advice, direction, and both centralized and decentralized development of procedures.

Financial Summary by Category

Citywide activities are managed by the Financial Management Department. This summary includes the following activities: "XC" Citywide contains certain citywide revenues, transfers and expenditures that are not linked to a specific operating department. Citywide receipt of property taxes and citywide payments for Pension Obligation Bonds are examples. "XI" contains interfund transfers for the indirect cost allocation plan that provides additional revenue to the General Fund for citywide overhead charged to non-General Fund sources. "XJ" Joint Powers Authority contains expenditures for City-involved joint power activities.

The second Financial Summary by Category page strictly includes the Department of Financial Management's operating budget.

	Actual FY 13	Adopted* FY 14	Adjusted** FY 14	Adopted* FY 15
Revenues:				
Property Taxes	169,590,177	134,633,391	134,633,391	139,091,026
Other Taxes	120,016,751	117,265,154	117,265,154	116,937,412
Franchise Fees	21,174,497	20,100,625	20,100,625	21,115,024
Licenses and Permits	-	-	-	-
Fines and Forfeitures	-	-	-	-
Use of Money & Property	15,604,365	18,487,089	18,213,832	18,274,396
Revenue from Other Agencies	24,983,110	26,771,923	26,771,923	28,081,976
Charges for Services	21,051,720	68,666,391	68,666,391	42,451,391
Other Revenues	5,626,940	(338,730)	(338,730)	1,066,710
Interfund Services - Charges	248,737,869	277,496,033	277,496,033	287,392,579
Intrafund Services - GP Charges	-	-	-	1,300,000
Harbor P/R Revenue Transfers	-	-	-	-
Other Financing Sources	54,186,419	-	-	-
Operating Transfers	146,957,402	115,456,276	133,207,423	108,655,478
Total Revenues	827,929,249	778,538,151	796,016,041	764,365,991
Expenditures:				
Salaries, Wages and Benefits	189,716,468	216,905,869	216,653,398	225,225,836
Overtime	205,356	-	-	(569,411)
Materials, Supplies and Services	11,491,554	73,697,031	67,623,057	38,423,151
Internal Support	8,795,681	10,560,576	10,486,348	10,628,487
Capital Purchases	-	-	-	-
Debt Service	143,996,310	82,599,967	82,849,967	83,298,442
Transfers to Other Funds	49,487,029	49,615,350	60,228,373	43,037,409
Total Expenditures	403,692,397	433,378,792	437,841,142	400,043,913
Personnel (Full-time Equivalents)	N/A	N/A	N/A	N/A

* Amounts exclude all-years carryover. See budget ordinance in the front section of this document.

** Amounts as published in the FY 15 Proposed Budget released July 2, 2014

Financial Summary by Category

	Actual FY 13	Adopted* FY 14	Adjusted FY 14	Adopted* FY 15
Revenues:				
Property Taxes	-	-	-	-
Other Taxes	11,974,657	11,860,382	11,860,382	11,861,100
Licenses and Permits	496,152	360,164	360,164	413,501
Fines and Forfeitures	310,601	376,830	376,830	345,000
Use of Money & Property	453,219	347,360	347,360	1,439,779
Revenue from Other Agencies	-	-	-	453,500
Charges for Services	1,283,179	8,311,710	8,311,710	8,517,533
Other Revenues	3,271,961	3,494,801	3,494,801	3,398,630
Interfund Services - Charges	5,633,065	37,916,153	37,916,153	38,088,834
Intrafund Services - GP Charges	1,467,498	1,460,882	1,460,882	963,072
Harbor P/R Revenue Transfers	-	-	-	-
Other Financing Sources	-	-	-	-
Operating Transfers	-	-	1,000,000	-
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Total Revenues	24,890,332	64,128,281	65,128,281	65,480,949
Expenditures:				
Salaries, Wages and Benefits	12,264,475	24,687,959	24,697,937	25,342,028
Overtime	57,396	340,242	337,522	340,242
Materials, Supplies and Services	4,373,629	15,988,562	16,482,672	18,004,412
Internal Support	4,603,229	6,195,974	6,227,575	6,421,079
Capital Purchases	185,123	7,434,077	8,599,577	11,005,800
Debt Service	10,396	1,593,469	1,593,469	1,564,077
Transfers to Other Funds	-	3,832,389	3,332,389	2,832,389
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Total Expenditures	21,494,250	60,072,671	61,271,142	65,510,027
Personnel (Full-time Equivalents)	128.59	239.89	239.89	240.89

* Amounts exclude all-years carryover. See budget ordinance in the front section of this document.

Personnel Summary

Classification	FY 13 Adopt FTE	FY 14 Adopt FTE	FY 15 Adopt FTE	FY 14 Adopted Budget	FY 15 Adopted Budget
Director of Financial Management	1.00	1.00	1.00	187,076	212,459
Accountant III	10.00	10.00	10.00	820,615	820,626
Accounting Clerk II	-	1.00	1.00	45,886	47,389
Accounting Clerk III	5.00	1.00	2.00	50,975	92,454
Accounting Operations Officer	4.00	1.00	1.00	94,914	109,568
Accounting Technician	4.00	8.00	8.00	428,887	419,889
Administrative Analyst II	2.00	2.00	3.00	168,411	220,114
Administrative Analyst III	2.00	6.00	5.00	504,895	450,171
Administrative Services Officer	1.00	1.00	1.00	68,876	79,543
Assistant Administrative Analyst I	2.00	1.00	1.00	60,699	60,698
Assistant Administrative Analyst II	1.50	2.00	2.00	130,172	136,064
Assistant City Controller	-	2.00	2.00	230,000	251,267
Assistant Director-Financial Management	-	1.00	-	140,000	-
Budget Analysis Officer	2.00	2.00	2.00	212,000	216,375
Budget Management Officer	1.00	1.00	1.00	103,523	119,507
Business Services Officer	-	1.00	1.00	105,000	84,387
Business Systems Specialist III	1.00	1.00	1.00	70,547	70,547
Business Systems Specialist IV	-	1.00	1.00	78,074	78,073
Buyer I	2.00	2.00	2.00	142,629	144,703
Buyer II	2.00	2.00	2.00	168,911	173,843
City Controller	1.00	1.00	1.00	123,050	147,733
City Treasurer	1.00	1.00	1.00	135,254	156,137
Citywide Budget Analyst I - Conf	1.00	2.00	-	161,486	-
Citywide Budget Analyst II - Conf	4.00	4.00	-	354,538	-
Clerk III	1.00	1.00	-	41,469	-
Clerk Typist III	1.00	5.00	5.00	232,061	226,426
Controls Operations Officer	1.00	1.00	1.00	103,500	107,640
Cust Service Representative II	9.76	11.76	10.76	499,865	486,615
Cust Service Representative III	31.00	32.00	31.00	1,640,294	1,591,144
Cust Service Representative II-NC	1.83	1.83	1.83	71,333	83,868
Customer Services Supervisor I	3.00	3.00	3.00	176,953	189,267
Customer Services Supervisor II	3.00	4.00	4.00	269,687	273,027
Customer Services Supervisor III	-	-	1.00	-	82,063
Equipment Mechanic I	-	21.00	21.00	1,308,936	1,229,965
Equipment Mechanic II	-	23.00	23.00	1,505,747	1,510,645
Executive Assistant	1.00	-	-	-	-
Financial Controls Analyst	1.00	1.00	1.00	90,626	90,643
Financial Management Analyst I	-	-	1.00	-	74,285
Financial Management Analyst II - Conf	-	-	6.00	-	575,914
Financial Services Officer	1.00	2.00	2.00	184,790	213,321
Financial Systems Integration Officer	-	1.00	1.00	115,000	129,116
Fleet Finance Officer	-	-	1.00	-	123,227
Fleet Services Supervisor I	-	8.00	8.00	573,872	568,231
Fleet Services Supervisor II	-	3.00	3.00	250,685	267,550
Subtotal Page 1	----- 102.09	----- 173.59	----- 173.59	----- 11,651,239	----- 11,914,492

Personnel Summary

Classification	FY 13 Adopt FTE	FY 14 Adopt FTE	FY 15 Adopt FTE	FY 14 Adopted Budget	FY 15 Adopted Budget
Subtotal Page 2	102.09	173.59	173.59	11,651,239	11,914,492
Garage Services Attendent I	-	9.00	10.00	411,222	415,534
Garage Services Attendent II	-	9.00	9.00	433,398	420,362
Garage Services Attendent II - Towing	-	1.00	1.00	52,247	52,248
Garage Services Attendent III	-	3.00	3.00	162,451	169,466
General Superintendent-Fleet Services	-	1.00	1.00	109,556	106,248
Helicopter Mechanic	-	1.00	1.00	86,070	86,069
License Inspector I	3.50	3.00	3.00	173,145	170,936
License Inspector II	1.00	1.00	1.00	60,699	60,698
Maintenance Assistant II	-	4.00	4.00	169,929	162,353
Maintenance Assistant III	-	1.00	1.00	39,474	43,568
Manager of Budget Management	1.00	1.00	1.00	143,059	166,400
Manager of Business Relations	1.00	-	1.00	-	141,440
Manager of Commercial Services	1.00	1.00	1.00	123,710	142,810
Manager of Financial Controls	1.00	1.00	1.00	122,000	140,895
Manager of Fleet Services	-	-	1.00	-	141,440
Mechanical Equipment Stock Clerk I	-	1.00	1.00	48,573	48,573
Mechanical Equipment Stock Clerk II	-	3.00	3.00	154,557	154,206
Payroll Specialist I	2.00	2.00	2.00	109,254	108,836
Payroll Specialist II	1.00	1.00	1.00	65,494	65,494
Payroll/Personnel Assistant III	1.00	1.00	1.00	53,523	53,524
Purchasing Agent	-	1.00	1.00	105,000	113,931
Revenue Management Officer	1.00	1.00	1.00	98,842	108,187
Secretary	3.00	3.00	4.00	146,985	183,779
Secretary-Conf	1.00	1.00	1.00	53,709	53,710
Senior Accountant	5.00	4.00	4.00	363,754	363,755
Senior Accountant-Conf	1.00	1.00	1.00	90,939	90,939
Special Services Officer II	-	3.00	2.00	147,340	100,878
Special Services Officer I-NC	-	1.30	1.30	50,293	50,292
Superintendent - Fleet Operations	-	1.00	-	97,877	-
Superintendent - Towing & Lien Sales	-	1.00	1.00	83,589	97,010
Supervisor - Stores & Property	-	1.00	1.00	65,898	52,258
Technology Systems Officer-FM	1.00	-	-	-	-
Treasury Operations Officer	2.00	2.00	2.00	250,389	281,131
Welder	-	2.00	1.00	127,620	63,809
Subtotal Salaries	----- 128.59	----- 239.89	----- 240.89	----- 15,851,833	----- 16,325,271
Overtime	---	---	---	340,242	340,242
Fringe Benefits	---	---	---	8,255,790	8,315,010
Administrative Overhead	---	---	---	680,336	701,747
Attrition/Salary Savings	---	---	---	(100,000)	---
To Be Negotiated Savings	---	---	---	---	---
Mayoral Veto	---	---	---	---	---
Total	----- 128.59	----- 239.89	----- 240.89	----- 25,028,201	----- 25,682,270

