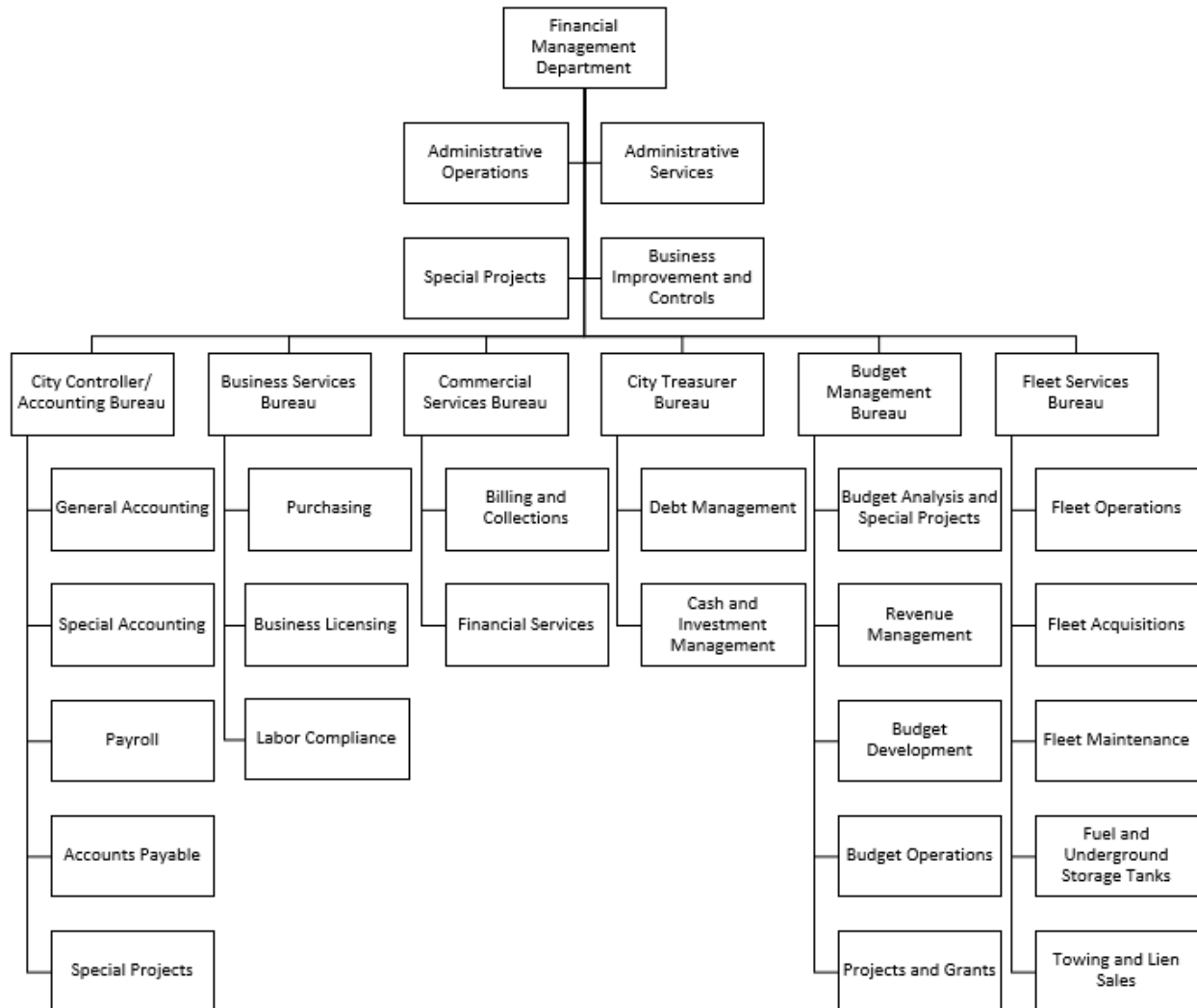


Financial Management



John Gross, Director of Financial Management
 Sandy Tsang-Palmer, Deputy Finance Director
 Grace H. Yoon, Manager, Budget Management Bureau
 Stephen Hannah, City Controller
 David Nakamoto, City Treasurer
 Amanda Hall, Manager, Commercial Services Bureau
 Vacant, Manager, Business Services Bureau
 Dan Berlenbach, Manager, Fleet Services Bureau

Department Overview

Mission:

To help maintain a financially strong City and to provide state-of-the-art fleet and towing systems, and excellent service to external and internal customers, city management, and elected officials.

Core Services:

- Accounting, Financial Reporting, and Controls
 - Accounting and financial reporting
 - Payroll management
 - Accounts payable
 - Financial controls
- Financial and Budget Planning and Management
 - CFO functions and administrative support
 - Budget analysis, development and management
- Billing and Collections
 - Billing and collections services
- Cash and Debt Management
 - Central cashiering
 - Debt management
 - Cash and investment management
- Procurement Management
 - Procurement services
 - Labor compliance
- Business Licensing Management
 - Business licensing and tax collection
 - Cannabis licensing and enforcement
- Fleet Management
 - Fleet operations and acquisitions
 - Towing and lien sales

FY 20 Focus:

The Financial Management Department's primary focus will be:

1. Stabilization of Munis Phase I, the new financial ERP system, which was implemented in April 2019.
2. Improving the department's operations and efficiencies, in part, based on the realignment of operations necessitated by the City's new financial systems.
3. Implementation of Phase II (HR/Payroll and Budget) of LB COAST.
4. Developing solutions to the City's financial needs, both immediate and long-term, and continually looking for cost savings and efficiencies.
5. Provide supporting information for ballot measures A, MA, and MM.

Department Performance Measures

Key Measure	FY 18 Actual	FY 19 Target	FY 19 Estimate	FY 20 Projection
Purchasing - Percentage of dollars spent with Long Beach businesses	26%	30%	38%	30%

The City of Long Beach, through its Purchasing Division, conducts various outreach activities to local businesses to increase their participation in City procurements. These efforts include weekly updates to 26 local, neighborhood, minority and women-owned, and other business groups to communicate open bid opportunities, assisting businesses to register on the City's electronic bidder's database to download bid specifications, and attending local trade shows and industry fairs. The FY 20 projection reflects the Division's commitment to continue to strengthen outreach to local businesses in order to continue to grow their participation and success in our procurements. Dollars spent with Long Beach businesses also include support to DLBA, Convention and Visitor's Bureau, the Convention Center, Queen Mary, etc.

Key Measures	FY 18 Actual	FY 19 Target	FY 19 Estimate	FY 20 Projection
Fleet Services – Percentage of preventive maintenance services for City vehicles completed on-time	New Measure	75%	85%	90%
Fleet Services – Average response time for light duty vehicle tows	23.2 minutes	20 minutes	23.2 minutes	20 minutes
Fleet Services - Percentage of alternative fueled vehicles in the Fleet	42%	43%	42%	45%

The Fleet Services Bureau strives to perform services consistent with industry standards and best practices. On-time Preventive Maintenance is vital to keep the City's fleet safe and economical to operate. Percentages continue to trend upward, driven by interdepartmental cooperation and Fleet's efforts to maximize efficiency. Average towing response time tracks staffs service in support of towing requests. Finally, as part of the City's effort to improve air quality and reduce emissions, older vehicles are replaced with cleaner, alternative fuel units whenever feasible. As new alternative fuel vehicles are available on the market, the percentage in the fleet is projected to keep rising.

Key Measure	FY 18 Actual	FY 19 Target	FY 19 Estimate	FY 20 Projection
Commercial Services - Percentage of ambulance fees collected within the first eighteen months	55%	57%	55%	55%

In FY 18, the Commercial Services Bureau collected an average of 55 percent of Advanced Life Support (ALS) and Basic Life Support (BLS) ambulance transport fees and non-transport fees within the first eighteen months from dates of service in early 2016 and early 2017. Collection rates for ambulance bills are relatively low throughout the industry; however, the rate has improved since collections were brought in-house. While the majority of the revenue is collected within the first eighteen months after date of ambulance service, unpaid accounts continue to be pursued for up to three years and as many as ten years with a small claims judgment. The City's final collection rate continues to be a focus.

FY 19 Accomplishments

Controller's Office / Accounting Bureau

- Key staff assigned significant roles in the implementation of the new ERP financial system. This included full-time or near full-time commitments from all bureau management positions as well as eight additional near full-time commitments and numerous part-time commitments. Played a lead role in the implementation of the various modules of the City's new ERP system.
- Successfully evaluated, converted and validated financial data results as the City transitioned from the old system chart of accounts to the new system chart of accounts.
- Evaluated existing system business processes and validated revised business processes in conformance with the capabilities of the new financial system.
- Completed FY 18 Comprehensive Annual Financial Report (CAFR) with a clean opinion.
- Received the Government Finance Officers' Association's Certificate of Achievement for Excellence in Financial Reporting for the City's FY 17 Comprehensive Annual Financial Report (CAFR).

Budget Management Bureau

- Evaluated the process of non-personnel budgeting and integrating personnel budgets and projects and grants budgets to develop a cumulative budget package in the new ERP system.
- Developed forms for compatibility with the new system and new City procedures.
- Supported key milestones in the ERP project including conversion and validation of budget data, design of new project ledger and developing training material and leading trainings.
- Delivered a structurally balanced General Fund proposed budget for the 14th consecutive year in an effort to achieve fiscal sustainability for the City.
- Enhanced citizen engagement of the City's budget through the use of a budget priority survey and community budget presentations.
- Provided financial analysis to support labor negotiations with all unions, water and gas litigation and settlement discussions and various nexus studies.
- Provided financial analysis and support for the Budget Oversight, Economic Development and Finance and Transaction & Use Tax Citizens' Advisory Committees.
- Provided significant staff and program support for various components of the LB COAST development and implementation process.

Commercial Services Bureau

- Added a new collections module, with improved collection features, to the existing Ambulance Billing System in anticipation of the decommissioning of the City's mainframe collections system.
- Utilized the State Franchise Tax Board Intercept Program to recover unpaid utility bills, ambulance transport charges, parking citations, business license fees, and other bad debts.
- Implemented a new contract for payment processing services that eliminated convenience fees for utility customers and added more locations where people can pay their utility bill.

Treasury Management Bureau

- Created the Unclaimed Asset process which eased and increased the efficiency of the Phase I data conversion process by clearing \$3.9 million of reconciling items in advance of LB COAST Go Live.
- Implemented electronic payroll debit cards, capitalizing on Tyler Munis' design, promoting additional employee safety and financial security and eliminated paper paychecks.
- Issued \$9.3 million in lease revenue bonds to fund the public safety parking garage, and another \$13.4 million to refund the Open Space bonds resulting in \$11.4 million in savings.
- Issued \$327 million in short-term notes to fund the Gerald Desmond Bridge.
- Issued \$165 million in Harbor revenue bonds to fund the Harbor Department's new administration building. Established a \$200 million Line of Credit to fund the Harbor Department's short-term needs.
- Executed a \$15.8 million contract with Motorola to fund public safety equipment.
- Issued \$65.4 million capital leases for various projects throughout the City.

FY 19 Accomplishments

- Conducted 5 TEFRA hearings to facilitate financings for 417 affordable housing units.

Business Services Bureau

- In preparation for the implementation of the LB COAST project, the Purchasing Division conducted 68 hours of Procurement Basics Training classes to 632 managers and City staff. Critical topics included the City's Code of Ethics, and Labor Compliance.
- Initiated a PlanetBids vendor profile update effort to ensure the over 22,000 registered vendors were notified of the new Commodity Code System.
- As of May 2019, processed 2,705 Business Licenses, 34 new Entertainment Permits, 1,605 One-Time Permits, and 452 Alarm Permits.
- As of May 2019, 51 Medical and Adult-Use Cannabis Business Licenses were issued, which include 16 dispensary licenses, 18 manufacturing licenses, 13 distribution licenses, and 4 cultivation licenses.
- Continued the implementation of the Small Business Enterprise Program. As of May 2019, there were 5,436 Certified Small Business Enterprises, an increase of 298, or 5.8 percent, from FY 18.
- As of May 2019, the Labor Compliance Division tracked 107 projects in order to comply with various federal, state and local regulations.

Fleet Services Bureau

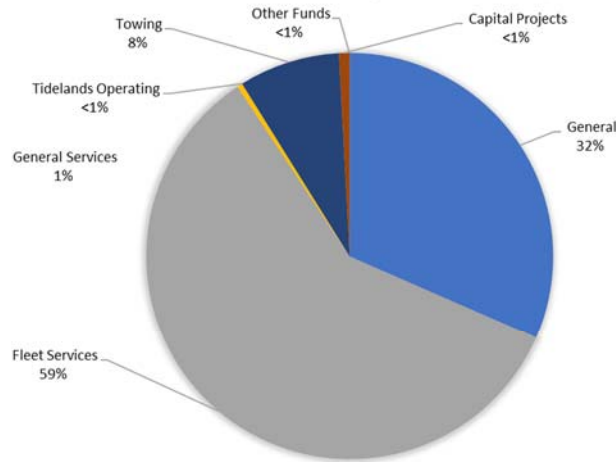
- Government Fleet magazine announced the City of Long Beach Fleet Services was recognized as the 6th best fleet in the Nationwide Leading Fleet competition in 2019.
- Fleet Services is an accredited NAFA Sustainable Fleet with a top-tier ranking, Tier 4.
- The City of Long Beach was recognized in Heavy Duty Trucking's 2019 Top 25 Green Fleets award.
- Received the 2019 SCAG Sustainability Award for Clean Cities: Alternative Fuels and Infrastructure.
- The City of Long Beach was named the #14 Green Fleet in North America in the 100 Best Fleets' 2019 Green Fleet Awards.
- Fleet Services' Towing Operations named a Top 100 Fleet in America by American Towman.
- Certified as a Ford Motor Company warranty repair center saving customers in excess of \$200,000.
- Participated in the launch of the Climate Mayors EV Purchasing Collaborative along with nineteen other municipalities. Fleet ordered 70 EVs through this platform in 2019.
- Upgraded refuse, street sweeping, and towing operations to cleaner burning CNG-powered trucks and sweepers, reducing fuel costs and the City's carbon footprint.
- Implemented a new fuel dispensing system with RFID-based technology that improves accuracy, strengthens control over fuel, and reduces labor.
- Put into service a new Jet A fuel system at Heliport that provides fuel for the LBPD helicopters.
- Implemented a Job Corps youth internship program for aspiring auto technicians.
- Implemented a maintenance swing shift to better utilize refuse trucks and equipment.
- Implemented GPS tow truck dispatch utilizing dedicated GPS equipment, allowing dispatchers access to real time truck locations and maps, improving efficiency.
- Fleet anticipates a 2019 reduction in GHG emissions of nearly 8,200 tons through use of renewable fuels, which are projected to make up 54 percent of the City's overall 2019 fuel use.

Financial Controls Bureau

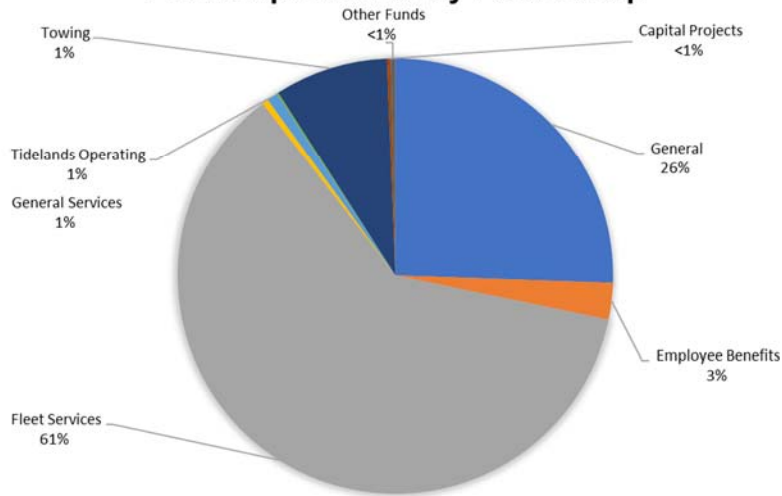
- Providing continued significant support for the LB COAST project including project planning and oversight, chart of account and project ledger development, financial business process analysis and redesign, configuration analysis, conversion analysis and support, interface review, requirements traceability and structured environment testing, user security, data access and workflow redesign, reporting analysis, design and testing, and change management assistance.
- Provided on-going system administration, help desk, customer support, and user training for over 400 financial systems users.
- Maintained old system while making recommendations and assisting the LB COAST project.

FY 20 Budget

FY 20 Revenues by Fund Group



FY 20 Expenditures by Fund Group



Fund Impact

Fund Group	Revenues	Expenditures	Fund Impact
General	24,401,694	18,788,630	5,613,064
Employee Benefits	-	1,998,794	(1,998,794)
Fleet Services	45,722,217	45,101,090	621,127
General Services	328,686	334,301	(5,615)
Tidelands Operating	-	584,777	(584,777)
Tidelands Area	-	103,426	(103,426)
Towing	6,210,000	6,195,098	14,902
Capital Projects	653,500	200,000	453,500
Other Funds	-	253,717	(253,717)
Total	77,316,096	73,559,831	3,756,265

Summary of Changes*

GENERAL FUND	Impact	Positions
Eliminate a License Inspector II from Business License division as part of right-sizing of the Cannabis program.	(89,084)	(1.00)
Reduce budget in the Citywide Activities Department to reflect efficiencies in management of revenue anticipation.	(187,500)	-
Add a Payroll Personnel Assistant II and an Assistant Administrative Analyst II in the Administration Division to support the Fleet Service Bureau's payroll and personnel needs, offset by charges to the Fleet Fund.	-	2.00
Upgrade two Customer Service Supervisor I positions to Customer Service Supervisor II positions to realign supervision and generate efficiencies in the Commercial Service Bureau, offset by reductions in materials and supplies.	-	-
Reallocate partial funding of various staff and supplies in the Accounting Bureau from the Community Development Grants Fund, Housing Development Fund and the Successor Agency Operations Fund to the General Fund to account for adjusted scope of services provided by Financial Management.	102,206	0.98
Transfer a Controls Operations Officer, a Financial Controls Analyst, and materials and supplies from the eliminated Financial Controls Bureau to the Administration Division as part of the reorganization related to establishing an ongoing support structure for the new ERP (LB COAST) system.	-	-

COMMUNITY DEVELOPMENT GRANTS FUND	Impact	Positions
Reallocate partial funding of various staff and supplies in the Accounting Bureau from the Community Development Grants Fund to the General Fund to account for adjusted scope of services provided by Financial Management.	(53,274)	(0.54)

FLEET FUND	Impact	Positions
Reduce budget for maintenance, parts and fuel due to efficiencies as a result of operating a newer fleet.	(960,300)	-
Reduce budget for payroll and personnel services previously provided by Public Works Department and brought back in house to Administrative Services Division.	(38,552)	-
Add an Equipment Mechanic II to support the Fire Line, to meet the service and maintenance needs caused by an increase in outside deployment of Fire Department vehicles and equipment.	93,247	1.00

Summary of Changes*

FLEET FUND CONT.	Impact	Positions
Increase budget for increased technical support from the Technology and Innovation Department for the four main business systems in the Fleet Services Bureau.	69,594	-
One-Time funding of \$250,000 for Electric Vehicle Programs in the Fleet Services Bureau to support energy efficiencies, offset by a transfer of AB 32 Cap and Trade proceeds from the Gas Fund.	-	-

GENERAL SERVICE FUND	Impact	Positions
Eliminate the Financial Controls Bureau and transfer budget for materials and supplies and positions from Financial Management Department to Technology and Innovation Department to support an ongoing support structure for the new ERP (LB COAST) system.	(874,113)	(7.00)
Add an Administrative Analyst III in the Administration Division as part of the ongoing support structure for the new ERP (LB COAST) system.	122,963	1.00
Transfer partial funding of an Accounting Operations Officer and Accounting Technician position from the eliminated Financial Controls Bureau to the Administration Division as part of the reorganization related to establishing an ongoing support structure for the new ERP (LB COAST) system.	-	-

HOUSING DEVELOPMENT FUND	Impact	Positions
Reallocate partial funding of various staff and supplies in the Accounting Bureau from the Housing Development Fund to the General Fund to account for adjusted scope of services provided by Financial Management.	(27,674)	(0.23)

SUCCESSOR AGENCY OPERATIONS FUND	Impact	Positions
Reallocate partial funding of various staff and supplies in the Accounting Bureau from the Successor Agency Operations Fund to the General Fund to account for adjusted scope of services provided by Financial Management.	(31,021)	(0.21)

TOWING FUND	Impact	Positions
Add a Garage Service Attendant I as an additional Tow Truck Driver, offset by a reduction in materials and supplies.	-	1.00

Summary of Changes*

TOWING FUND CONT.	Impact	Positions
Upgrade three Customer Services Representatives II to Customer Services Representatives III, offset by a reduction in materials and supplies.	-	-

*For ease of review, reallocations of resources within departments, offsets, adjustments, and minor changes have not been included. As figures reflect the net impact to a fund, an increase in expense is shown as a positive number (cost/hit to fund) and a decrease in expense is shown as a negative number (savings/benefit to fund). Accordingly, a decrease in revenue is shown as a positive number (cost/hit to fund), and an increase in revenue is shown as a negative number (savings/benefit to fund).

Administration

Key Services:

1. CFO Functions and Administrative Services

- CFO functions including financial planning, financial strategies and solutions
- Compensation/benefit management
- Disability/leave coordination
- Performance and conduct management
- Workplace investigations
- Development of job descriptions
- Position control and reporting
- Recruitment and selection support
- Worker's Compensation management
- Safety compliance and inspections
- Quality control oversight of department documents and Council letters
- Response and coordination of Public Records Act and subpoena requests
- Interdepartmental communications Measure A administration, reporting and communication
- Department budget development and management
 - Resource analysis
 - Budget proposal development
 - Monitoring of actual expense/revenue

FY 20 Funding Source: General Fund 55%, General Service Fund 32%, Employee Benefits Fund 13%

Administration	Actuals FY 18	Adjusted* FY 19	Adopted** FY 20
Revenues	677	-	328,686
Expenditures	97,949	325,163	1,053,648
FTEs	6.50	7.50	13.51

*Amounts as published in the FY 20 Proposed Budget released July 3, 2019

**Amounts exclude all-years carryover.

Narrative:

The Administration Bureau provides support and coordination for the other six Bureaus within Financial Management. This includes department budget development and management and department personnel matters. It plays a key role in departmental strategic planning, research efforts and in exploring new methods for maximizing efficiencies and reducing ongoing costs. The budget for this operation is charged to the other Bureaus in Financial Management.

The FY 20 budget includes the transfer of an additional 3.01 FTE from the discontinued Financial Controls Bureau for ongoing LB COAST project support. These positions will continue to be funded by the General Fund and the General Service Fund as they were in the Financial Controls Bureau. Additionally, an Administrative Analyst was added to provide continued Business Improvement for LB COAST/Munis support which will be funded in the General Services Fund.

A Payroll Personnel Assistant and an Assistant Administrative Analyst have been added to support HR/Administration services for the Fleet Services Bureau. These services were formerly performed by Public Works Administration Bureau. The transfer of these functions allows for better oversight of all Financial Management staff by transferring all Financial Management employees to the Financial Management Department. These additions in FTEs have no net cost to the budget.

Accounting Bureau

Key Services:

1. Accounting and Financial Reporting

- Review financial records/transactions
- Annual audits management, response and reporting
- Procedural/system control enhancement
- CAFR report preparation and other State and on-demand regulatory reports
- GASB and other authoritative standard interpretation and implementation
- General Citywide training and department audit consulting
- FM accounting staff development
- Grants and CIP accounting and billings
- Oil and Oil Production
- Indirect Cost Plan
- Tidelands and Successor Agency

- Single and Program Audits
- Emergency management accounting

2. Payroll Management

- Payroll processing
- Implementation of regulatory changes
- System updates and maintenance
- CalPers/Federal/State reporting
- Benefits rate monitoring/development
- Employee withholding processing

3. Accounts Payable

- 1099 generation and reporting
- Payment processing review
- Sales and use tax reporting
- Document management
- W9 verification and tracking

FY 20 Funding Sources: General Fund 56%, Employee Benefits Fund 28%, Tidelands Operations Fund 7%, Insurance Fund 4%, Community Development Grants Fund 1%, Rainbow Harbor Area Fund 2%, Marina Fund 2%, Successor Agency Fund <1%, Housing Authority < 1%, Health Fund < 1%

Accounting	Actuals FY 18	Adjusted* FY 19	Adopted** FY 20
Revenues	2,115	-	-
Expenditures	4,532,413	4,660,759	4,732,755
FTEs	29.49	30.49	29.49

*Amounts as published in the FY 20 Proposed Budget released July 3, 2019

**Amounts exclude all-years carryover.

Narrative:

The City Controller's Office/Accounting Bureau continues to provide services to the City's 23 distinct departments and their subsidiaries across 38 funds. (The funds listed in the City's Comprehensive Annual Financial Report (CAFR) vary from the Budget Book based on different categorizations.) 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. Stabilization and refinement of accounting processes under Munis (the new ERP system) will be the primary focus for FY 20.

Budget Management Bureau

Key Services:

1. Current Year Budget Management

- Budget adjustments
- Quarterly performance reports
- Debt allocation
- Preparation of year-end estimates
- Department monitoring

2. Budget Development

- 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

3. Departmental Budget Assistance

- Review of personnel requisitions
- Training and assistance for department budget staff
- Council letter review

4. Long Range Financial Forecasting and Planning

- Long-term forecasting
- Financial plan development
- Fiscal capacity analysis
- Financial policy monitoring

5. Special Analyses

- Exec management projects and reports
- Council requests
- Public records requests
- Labor negotiation analysis

6. Revenue Maintenance and Maximization

- Contract administration
- Sales/Transactions & Use tax monitoring
- Rebates processing
- Shared revenue agreement administration
- Fee updates and management

FY 20 Funding Sources: General Fund 71%, Employee Benefits Fund 22%, Tidelands Operations Fund 7%

Budget Management	Actuals FY 18	Adjusted* FY 19	Adopted** FY 20
Revenues	-	-	-
Expenditures	2,793,762	2,492,106	2,501,370
FTEs	13.00	13.00	13.00

*Amounts as published in the FY 20 Proposed Budget released July 3, 2019

**Amounts exclude all-years carryover.

Narrative:

The Budget Office is responsible for developing the City’s key annual policy document – 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 and managing the process for the 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, and the Measure A Citizens’ Advisory Committee; providing community outreach on the City’s budget; providing oversight of departmental budgetary actions and support and analysis of departmental financial and operational priorities.

The focus in FY 20 will be to continue to provide diligent oversight of the City’s finances, provide continued support to budgetary committees, provide projections and budgetary support for negotiations with the City’s employee groups and to develop and implement the budget module for the LB COAST project. The Bureau will also continue to: actively explore and develop opportunities to increase revenue for the City, including cost recovery through fees and revenue-sharing agreements with the private sector; emphasize streamlining and simplifying budgetary policies and procedures; and enhance the City’s long-range financial forecasting capabilities to better assess financial risks and opportunities.

Commercial Services Bureau

Key Services:

1. Billing and Collection Services

- Centralized bill generation and dispute resolution
- Payment and refund processing
- Collect and research billing information
- Collection of unpaid City accounts
- Issue and monitor payment plans
- In-person customer service
- Parking services
 - Receive/process citations from field staff
 - Research necessary billing information
 - In-person customer service
 - Disputed citation review and resolution
 - Payment and refund processing
 - Collection of unpaid parking citations

- Remit revenues to issuing agencies
- Preferential Parking administration
- Provide parking services for other agencies
- Utility customer service
 - In-person customer service
 - Bill dispute resolution
 - Payment and refund processing
 - Collection of unpaid City accounts

2. Central Cashiering

- In-person customer service
- Process mail and perform research
- Accept and verify deposits from City departments
- Secure money
- Reconcile with City financial systems
- Administer/monitor credit card processor contract

FY 20 Funding Sources: General Fund 100%

Commercial Services	Actuals FY 18	Adjusted* FY 19	Adopted** FY 20
Revenues	7,365,368	7,629,971	8,807,446
Expenditures	6,021,775	7,350,936	7,185,712
FTEs	42.79	41.79	41.79

*Amounts as published in the FY 20 Proposed Budget released July 3, 2019

**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 services. The Bureau provides collection activities for ambulance services, permits, business licensing, marina fees, utility services, and various other City services. Additionally, the Bureau currently works with the State to recover funds from income tax returns on delinquent accounts for utility bills, ambulance service charges, business license fees, parking citation fees, etc.

A key focus in FY 20 will be to adapt the organizational structure and processes to implement a new collections system that will streamline collections efforts and increase revenue collection.

City Treasurer Bureau

Key Services:

1. Cash and Investment Management

- Liquidity management and assurance
- Invest City pooled funds and segregated bond proceeds
- Credit card payment receipt
- Manage investment advisor relationship
- Manage Investment Advisory Committee
- Process UUT & franchise revenue receipts from utilities
- UUT waiver requests and Senior/Disabled Refund Program
- Administer 457 and PARS plans

2. Debt Management

- Issuance of debt obligations
- Legal debt compliance
- Debt service payments
- Bond draws
- Debt related matters pertaining to assessment/community facility districts
- Conduit debt and reporting
- Finance rating agency/investor relations
- Continuing disclosure reporting
- Oversee capital lease program

FY 20 Funding Source: General Fund 100%

City Treasurer	Actuals FY 18	Adjusted* FY 19	Adopted** FY 20
Revenues	2,380,939	2,403,846	2,455,395
Expenditures	1,631,397	2,376,091	2,429,660
FTEs	8.00	8.00	8.00

*Amounts as published in the FY 20 Proposed Budget released July 3, 2019

**Amounts exclude all-years carryover.

Narrative:

The Treasury Bureau manages an estimated \$1.6 billion investment portfolio while also managing outstanding City debt obligations totaling more than \$2.0 billion as of FY 18 year end.

The 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 include providing 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 Bureau also provides administrative services to two deferred compensation programs, a utility district, and eight community facility districts.

The City's investment portfolio is rated "AAf" by Standard & Poor's. As an issuer of debt, the City of Long Beach received affirmation of "AA" and "AA" from Standard & Poor's and Fitch Ratings, respectively.

Business Services Bureau

Key Services:

1. Procurement Services

- Method determination and compliance
- Bid/RFP package development and posting
- Solicitation of bid/RFP responses through award
- Purchasing card administration
- Online bidding system management
- Citywide training on procurement processes and contract compliance

2. Labor Compliance

- Minimum wage education and outreach

- Prevailing wage determination and verification
 - HUD Section 3, DBE, SBE and PLA

3. Business Licensing and Tax Collection

- Business license, tax collection, BID and TOT Administration
- Field inspections, enforcement revocations and application denials

4. Cannabis Licensing and Enforcement

- Administration, issuance, revocation and application denial
- Field inspections and enforcement

FY 20 Funding Source: General Fund 100%

Business Services	Actuals FY 18	Adjusted* FY 19	Adopted** FY 20
Revenues	13,451,661	13,138,853	13,138,853
Expenditures	4,707,830	4,867,627	4,160,498
FTEs	27.00	28.00	27.00

*Amounts as published in the FY 20 Proposed Budget released July 3, 2019

**Amounts exclude all-years carryover.

Narrative:

The Business Services Bureau provides purchasing tools, guidance and assistance to Departments in addition to conducting competitive procurements that meet high value or citywide departmental purchasing needs. The Bureau oversees PlanetBids, an online registration system for prospective bidders. Staff conducts significant outreach efforts to recruit and include local and small businesses in our procurements. The number of local registered vendors is 2,312, an increase of 110 from 2018. This demonstrates a steady increase since 2016, averaging over 100 new local business registrations a year.

The Bureau supports citywide compliance with federal and state regulations including prevailing wage, Section 3, and Disadvantaged Business Enterprise (DBE) as well as a number of locally adopted regulations including our Small Business Enterprise (SBE) ordinance, and the Equal Benefits Ordinance (EBO). The Bureau administers business licenses, including administration and enforcement of cannabis business licenses. The Bureau also manages Transient Occupancy Tax (TOT) collection, bi-monthly payments to the Business Improvement Districts (BIDs), and monthly payments to the Convention and Visitor’s Bureau (CVB).

Significant resources continue to be dedicated to redevelopment of regulations and procedures for medical and adult use cannabis businesses, along with related licensing and enforcement activities. Stabilization and refinement of Purchasing processes under Munis (the new ERP system) will be the primary focus for FY 20.

Fleet Services Bureau

Key Services:

1. Fleet Operations and Acquisitions

- Replacement fund management
- Selection of replacement vehicles
- Vehicle outfitting, assignments and disposal
- Fleet sustainability strategy and procurement coordination
- Administration, budget, procurement and contract management
- Facility management, security and repair
- Fleet performance analysis
- Supplies and equipment management
- Fleet maintenance and repair
 - Preventive and scheduled maintenance

- Auto body Repair
- Fuel and fuel storage management
 - Underground storage facility monitoring and site remediation
 - Fuel purchase, control, dispensing, and system management
 - Regulatory compliance and reporting

2. Towing and Lien Sales

- Dispatch of tow / maintenance service
- Vehicle towing and roadside service
- Vehicle and property auctions
- Counter, phone and payment services
- Lot service – customer escort, jump starts, Police assistance

FY 20 Funding Sources: Fleet Fund 88%, Towing Fund 12%, Transportation Fund <1%

Fleet Services	Actuals FY 18	Adjusted* FY 19	Adopted** FY 20
Revenues	47,734,598	52,160,911	52,585,717
Expenditures	43,149,162	84,409,561	51,496,188
FTEs	120.50	120.50	122.50

*Amounts as published in the FY 20 Proposed Budget released July 3, 2019

**Amounts exclude all-years carryover.

Narrative:

The Fleet Services Bureau continues to emphasize its mission of providing efficient, cost-effective and ecologically friendly services. Nationally recognized effort to promote a green, sustainable fleet includes the continued push towards electric vehicles and the retrofit of heavy duty vehicles to more efficient CNG fueling sources. Alternative fuels such as compressed natural gas, renewables, and electric vehicles will be further deployed through the fleet to minimize the environmental footprint of City services.

Fleet’s FY 20 Budget also recognizes efficiencies in maintaining and fueling a more modern fleet. Newer, more cost-effective equipment means lower maintenance and fuel costs, while simultaneously minimizing downtime often associated with the upkeep of older equipment.

The Bureau’s budget reflects the addition of an Equipment Mechanic II to support an increase in required maintenance and repair of Fire equipment, associated with increased deployments to wildfires and outside agencies. The Towing Division has upgraded three Customer Service Representative (CSR) II positions to CSR III positions to more accurately reflect the job requirements. Tow operations has also added an additional Tow Truck Driver to support an increased tow volume, which will reduce the amount of overtime and contracted tows currently needed. Also, additional budget is included to support the diverse and complex software programs required to run a modern fleet.

Financial Controls Bureau

Key Services:

1. Controls Operations and Technical Services

- Review and evaluate process and control weaknesses
- Facilitate development and implementation of solutions
- Reports, presentations on findings/recommendations
- Apply technology solutions to improve business processes
- Assess training needs
- Develop materials and training implementation plan
- Track audit findings and recommendations
- Support department implementation
- Facilitate department meetings
- Financial Systems Management (current)
 - LB COAST implementation
 - New system evaluation, integration and project consultation
 - Change management assistance
 - Management of financial systems and interfaces with ancillary systems
 - System security, validation, trouble shooting, training and help desk
 - Technology integration and ancillary systems data reporting enhancements

FY 20 Funding Sources: N/A

Financial Controls	Actuals FY 18	Adjusted* FY 19	Adopted** FY 20
Revenues	720,975	878,994	-
Expenditures	1,445,678	1,284,995	-
FTEs	8.01	10.01	-

*Amounts as published in the FY 20 Proposed Budget released July 3, 2019

**Amounts exclude all-years carryover.

Narrative:

For FY 20, this Bureau has been discontinued from the Financial Management Department with most of its functions transferring to the Technology and Innovation Department. Five (5.0) FTE related to ERP systems support (LB COAST) have moved to the Technology and Innovation Department. Other positions related to LB COAST systems support and controls have been assigned to the Administration Bureau (3.01 FTE) within the Financial Management Department. Two (2.0) FTE that were temporarily added in FY 19 adopted budget to support the LB COAST project have been eliminated.

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 Financial Management Department's operating budget.

	Actual FY 18	Adopted* FY 19	Adjusted** FY 19	Adopted* FY 20
Revenues:				
Property Taxes	157,906,194	169,942,155	169,942,155	178,483,504
Other Taxes	193,970,847	182,127,163	182,127,163	190,308,735
Franchise Fees	14,626,580	20,772,551	20,772,551	21,211,234
Licenses and Permits	1,321,479	5,021,007	5,021,007	4,000,000
Fines and Forfeitures	-	-	-	-
Use of Money & Property	19,844,968	20,910,236	20,824,485	10,572,251
Revenue from Other Agencies	28,530,934	29,221,690	29,221,690	33,696,368
Charges for Services	13,831,531	42,968,391	42,968,391	42,968,391
Other Revenues	7,315,012	1,087,122	1,087,122	1,087,122
Interfund Services - Charges	308,419,275	369,548,418	369,548,418	395,942,377
Intrafund Services - General Fund Charges	936,431	1,457,945	1,457,945	1,457,945
Harbor & Water P/R Rev Trsfs	-	-	-	-
Other Financing Sources	10,190,000	-	-	-
Operating Transfers	111,652,071	67,754,096	67,754,096	67,242,485
Total Revenues	868,545,321	910,810,773	910,725,023	946,970,412
Expenditures:				
Salaries, Wages and Benefits	257,891,495	303,003,633	303,633,633	317,091,733
Overtime	(99,407)	-	-	-
Materials, Supplies and Services	20,207,064	37,544,959	37,407,499	39,179,575
Internal Support	8,075,711	11,463,346	11,463,346	28,514,141
Capital Purchases	-	-	-	-
Debt Service	102,948,074	86,990,853	86,990,853	76,394,424
Transfers to Other Funds	65,809,471	45,097,839	53,099,551	53,147,266
Total Expenditures	454,832,408	484,100,630	492,594,882	514,327,139
Personnel (Full-time Equivalents)	0.00	0.00	0.00	0.00

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

** Amounts as published in the FY 20 Proposed Budget released July 3, 2019.

Financial Summary by Category

	Actual FY 18	Adopted* FY 19	Adjusted** FY 19	Adopted* FY 20
Revenues:				
Property Taxes	-	-	-	-
Other Taxes	12,957,622	12,774,853	12,774,853	12,774,853
Franchise Fees	-	-	-	-
Licenses and Permits	401,151	342,000	342,000	342,000
Fines and Forfeitures	624,322	350,000	350,000	379,784
Use of Money & Property	1,575,179	1,549,517	1,549,517	1,549,518
Revenue from Other Agencies	(164,184)	653,500	653,500	653,500
Charges for Services	8,691,277	9,804,126	9,804,126	9,901,924
Other Revenues	4,942,914	3,529,937	3,529,937	3,529,937
Interfund Services - Charges	40,585,353	45,297,774	45,297,774	46,000,043
Intrafund Services - General Fund Charges	2,127,322	1,743,865	1,743,865	1,756,385
Harbor & Water P/R Rev Trsfs	-	-	-	-
Other Financing Sources	-	-	-	-
Operating Transfers	(84,623)	167,004	167,004	428,152
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Total Revenues	71,656,334	76,212,576	76,212,576	77,316,096
Expenditures:				
Salaries, Wages and Benefits	27,767,818	28,592,470	28,527,582	28,870,551
Overtime	1,042,697	663,933	663,934	663,934
Materials, Supplies and Services	18,553,623	20,087,134	22,923,288	19,275,432
Internal Support	4,343,400	4,855,773	4,855,773	5,475,732
Capital Purchases	9,556,546	33,137,202	47,499,512	15,955,800
Debt Service	1,742,667	2,297,151	2,297,151	2,318,382
Transfers to Other Funds	1,373,215	1,000,000	1,000,000	1,000,000
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Total Expenditures	64,379,966	90,633,663	107,767,238	73,559,831
Personnel (Full-time Equivalents)	255.29	259.29	259.29	255.29

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

** Amounts as published in the FY 20 Proposed Budget released July 3, 2019.

Personnel Summary

Classification	FY 18 Adopt FTE	FY 19 Adopt FTE	FY 20 Adopt FTE	FY 19 Adopted Budget	FY 20 Adopted Budget
Director of Financial Management	1.00	1.00	1.00	225,465	225,464
Accountant III	9.00	9.00	9.00	760,832	743,912
Accounting Clerk III	3.00	3.00	3.00	155,146	154,428
Accounting Operations Officer	1.00	1.00	1.00	116,276	116,277
Accounting Technician	9.00	9.00	9.00	502,303	506,192
Administrative Aide I	-	1.00	1.00	46,555	47,487
Administrative Analyst II	3.00	3.00	2.00	223,959	151,320
Administrative Analyst III	5.00	6.00	7.00	538,036	623,014
Administrative Intern - NC	0.50	0.50	0.50	22,153	22,152
Administrative Officer	1.00	1.00	1.00	121,026	121,027
Assistant Administrative Analyst I	2.00	2.00	2.00	110,133	107,653
Assistant Administrative Analyst II	4.00	4.00	5.00	274,461	347,393
Assistant City Controller	2.00	2.00	2.00	266,643	266,642
Budget Analysis Officer	1.00	1.00	1.00	120,551	122,808
Budget Management Officer	2.00	2.00	2.00	253,872	256,129
Business Services Officer	1.00	1.00	1.00	102,569	109,749
Business Systems Specialist III	1.00	1.00	-	80,233	-
Business Systems Specialist IV	1.00	1.00	-	82,852	-
Business Systems Specialist VI - Confidential	-	1.00	-	124,342	-
Buyer I	3.00	3.00	3.00	216,405	196,177
Buyer II	3.00	3.00	3.00	252,875	243,362
City Controller	1.00	1.00	1.00	150,687	150,687
City Treasurer	1.00	1.00	1.00	165,693	165,693
Clerk Typist III	6.00	6.00	6.00	306,347	299,398
Controls Operations Officer	1.00	1.00	1.00	119,695	119,695
Cust Service Representative II	12.76	11.76	7.76	519,381	341,238
Cust Service Representative III	28.00	28.00	32.00	1,474,430	1,692,526
Cust Service Representative II-NC	1.03	1.03	1.03	45,867	45,864
Customer Services Officer	1.00	1.00	1.00	86,111	86,111
Customer Services Supervisor I	2.00	2.00	-	121,633	-
Customer Services Supervisor II	2.00	2.00	4.00	142,543	272,090
Deputy Director of Financial Management	1.00	1.00	1.00	186,158	186,158
Equipment Mechanic I	17.00	16.00	16.00	1,031,190	1,039,658
Equipment Mechanic II	21.00	20.00	21.00	1,344,986	1,433,118
Financial Controls Analyst	1.00	1.00	1.00	96,505	96,505
Financial Management Analyst I	1.00	1.00	1.00	96,505	96,505
Financial Management Analyst II	7.00	7.00	6.00	694,652	590,843
Financial Services Officer	1.00	1.00	1.00	110,520	110,520
Fleet Finance Officer	1.00	1.00	1.00	130,769	112,247
Fleet Maintenance Supervisor	1.00	1.00	1.00	107,227	107,227
Fleet Services Supervisor I	7.00	7.00	7.00	550,368	554,154
Fleet Services Supervisor II	3.00	3.00	3.00	288,387	282,123
Garage Services Attendent I	15.00	14.00	15.00	602,879	643,281
Garage Services Attendent II	14.00	14.00	14.00	659,001	657,937
Garage Services Attendent II - Towing	1.00	1.00	1.00	54,359	54,359
Garage Services Attendent III	5.00	5.00	5.00	292,125	300,744
Helicopter Mechanic	1.00	1.00	1.00	89,303	89,303
Labor Compliance Officer	1.00	1.00	1.00	100,222	101,500
License Inspector I	4.00	4.00	4.00	223,074	216,138
License Inspector II	3.00	3.00	2.00	181,549	128,827

Personnel Summary

Classification	FY 18 Adopt FTE	FY 19 Adopt FTE	FY 20 Adopt FTE	FY 19 Adopted Budget	FY 20 Adopted Budget
Maintenance Assistant II	5.00	5.00	5.00	199,697	203,059
Maintenance Assistant III	1.00	1.00	1.00	48,022	48,022
Maintenance Planner I	-	2.00	2.00	136,307	123,227
Manager of Budget Management	-	1.00	1.00	146,050	146,050
Manager of Business Relations	1.00	1.00	1.00	150,753	150,754
Manager of Commercial Services	1.00	1.00	1.00	151,552	150,754
Manager of Financial Controls	1.00	1.00	-	152,090	-
Manager of Fleet Services	1.00	1.00	1.00	151,264	151,263
Mechanical Equipment Stock Clerk I	1.00	1.00	1.00	43,992	46,182
Mechanical Equipment Stock Clerk II	4.00	4.00	4.00	206,554	222,245
Payroll Officer	-	1.00	1.00	109,844	109,844
Payroll Specialist I	2.00	2.00	2.00	125,667	125,667
Payroll Specialist II	1.00	1.00	-	69,503	-
Payroll/Personnel Assistant II	-	-	1.00	-	41,898
Payroll/Personnel Assistant III	1.00	1.00	1.00	56,800	56,800
Purchasing Agent	1.00	1.00	1.00	127,395	119,912
Revenue Management Officer	1.00	1.00	1.00	122,042	122,808
Secretary	4.00	4.00	4.00	208,383	196,168
Secretary-Conf	1.00	1.00	1.00	51,719	54,329
Senior Accountant	4.00	4.00	4.00	358,748	386,019
Senior Accountant-Conf	1.00	1.00	1.00	96,505	96,505
Senior Buyer	1.00	1.00	1.00	80,819	80,819
Special Projects Officer	3.00	4.00	4.00	410,758	411,105
Superintendent - Fleet Acquisition	1.00	1.00	1.00	112,752	112,752
Superintendent - Towing & Lien Sales	1.00	1.00	1.00	99,796	99,796
Supervisor - Stores & Property	1.00	1.00	1.00	55,457	67,715
Technical Services Officer	1.00	1.00	-	130,103	-
Treasury Operations Officer	2.00	2.00	2.00	293,460	293,460
Welder	1.00	1.00	1.00	66,387	54,369
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Subtotal Salaries	255.29	259.29	255.29	18,531,272	18,007,152
Overtime	-	-	-	663,934	663,934
Fringe Benefits	-	-	-	10,873,397	10,959,457
Administrative Overhead	-	-	-	371,094	385,065
Attrition/Salary Savings	-	-	-	(380,705)	(380,444)
Expenditure Transfer	-	-	-	(802,588)	(100,680)
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Total	255.29	259.29	255.29	29,256,403	29,534,485

