

CITY OF
LONG BEACH

Fiscal Year
2023
Proposed
Budget

COMMUNITY BUDGET
SUMMARY



THE BUDGET AT WORK

FISCAL YEAR 2022 IN REVIEW

LONG BEACH
RECOVERY ACT
**\$271.3
MILLION**

80+ RECOVERY PROGRAMS DESIGNED OR IMPLEMENTED

MORE THAN \$8 MILLION PROVIDED TO 700 LOCAL BUSINESSES AND NONPROFIT ORGANIZATIONS



\$44.5 MILLION IN RENTAL RELIEF TO NEARLY 6,100 RESIDENTS

SINCE 2020, **MORE THAN 880 AFFORDABLE UNITS COMPLETED, UNDER CONSTRUCTION OR PROPOSED** THROUGHOUT THE CITY



CONTINUED AND **EXPANDED PROJECT ROOMKEY PROGRAM, ADDING 26 ROOM LOCATIONS AND TOTALING 274 ROOMS**

REMOVED 1.25 MILLION SQ.FT. OF GRAFFITI



ADDED 552 SHELTER BEDS OVER PAST TWO YEARS BRINGING **TOTAL CAPACITY TO 994**

REMOVED OVER 2,100 TONS OF LITTER AND ILLEGALLY DUMPED ITEMS FROM PUBLIC RIGHTS OF WAY, ALLEYS, AND HIGH-TRAFFIC BUSINESS CORRIDORS

OVER 1,000 VISITS TO VARIOUS HOMELESS ENCAMPMENTS, PROVIDING OUTREACH TO 1,800 PEOPLE EXPERIENCING HOMELESSNESS

MORE THAN **40,000 POTHOLES FILLED**



RECOVERED 112 FIREARMS AND MADE **98 FIREARM-RELATED ARRESTS**

RESPONDED TO OVER 76,000 FIRE, MARINE SAFETY, AND OTHER EMERGENCY INCIDENTS

BACKUP 9-1-1 CENTER ESTABLISHED WITH **14 WORK STATIONS**

LAUNCHED THE **11-MEMBER YOUTH ADVISORY COUNCIL**

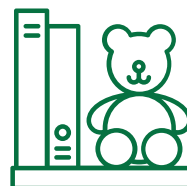


ON TRACK TO ADOPT **FIRST-EVER CLIMATE ACTION AND ADAPTATION PLAN**



AIRPORT'S **NEW TICKETING LOBBY** AND **CHECKED BAGGAGE INSPECTION SYSTEM** COMPLETED

OVER **2,000 EARLY LITERACY DEVELOPMENT KITS** DISTRIBUTED TO PARENTS



MESSAGE FROM THE CITY MANAGER

I am pleased to present to you the Proposed Fiscal Year 2023 (FY 23) Budget. This budget was developed during a pivotal time of transition. While the City of Long Beach (City) continues to recover from the lasting implications of the COVID-19 pandemic, the City has remained committed to providing critical public services, prioritizing recovery support for residents and businesses, and making strong investments in the City's infrastructure.

I am incredibly proud of all that the City has accomplished during these trying times, and as we look towards FY 23, I remain wholly committed to developing a City budget that addresses the ever-changing needs of our community. To this end, the Proposed FY 23 Budget makes substantial investments into many areas without adding to the General Fund structural shortfall.

These priority areas include the following:

- Addressing Homelessness
- Community Safety
- Equity, Inclusion, Health, and Quality of Life Support
- Business Attraction, Support, and Economic Development
- Arts, Culture, and Tourism
- Infrastructure, Maintenance, and Critical Needs Investments
- Climate Change and Environmental Sustainability
- Recruitment, Retention, and Strengthening Internal Administrative Services
- Unfunded Operational Needs and Major Liabilities Improvements

These investments took into consideration City Council priorities as well as community feedback that was received from residents early during the budget development process. This Community Budget Book provides some of the highlights with more comprehensive and detailed information that can be found in the full budget book available online. The City's annual budget is one of the most important policy documents the City produces, so thank you for your interest in the FY 23 Budget and I look forward to hearing from you as we work to finalize the budget. I remain confident and hopeful that together we will continue to build a Long Beach that is safe, dynamic, and thriving.

Thomas B. Modica
City Manager

HIGHLIGHTS OF THE PROPOSED FY 23 BUDGET

FOR A COMPREHENSIVE LIST, PLEASE SEE THE FULL BUDGET BOOK AVAILABLE HERE: [LONGBEACH.GOV/FINANCE](https://longbeach.gov/finance)



ADDRESSING HOMELESSNESS

Finding local solutions to the homelessness crisis continues to be a top priority for Long Beach, leveraging multiple City, County, State, and Federal funding streams. The Budget supports existing services and recommends enhancements, including:

- » Add a 3rd Restorative Engagement to Achieve Collective Health (REACH) team providing more after-hours and weekend service.
- » Add two counselor positions that will coordinate with City's call center to enhance communications with community members and respond to those seeking help.
- » One-time Measure A funds of \$2.1 million for a 2-year outreach and clean-up initiative along the river beds.



EQUITY, INCLUSION, HEALTH, AND QUALITY OF LIFE SUPPORT

The City is committed to fostering opportunities for optimal health, financial security, and overall quality of life for all residents across the City. The Budget makes additional investments to support ongoing efforts of fostering a more inclusive and equitable Long Beach, including:

- » Fully funding a position that will provide support for Commission on Women and Girls, Equity and Human Relations Commission, the Justice Fund, and support for ongoing Racial Equity and Reconciliation efforts.
- » Increase structural funding by \$20,000 for increased interpretation and translation services.
- » One-time Measure US funds of \$511,620 for Community Based Grants and Incentives around Youth Development.
- » Increase structural funding by \$400,000 and add one-time funds of \$400,000 to enhance Library's material budget, supporting an inclusive and diverse library collection.
- » Enhance Animal Care Services by upgrading a Public Health Associate to an Assistant Administrative Analyst, converting two Clerk I positions to three Clerk Typist I positions, and adding four General Assistant positions to enhance volunteer management, support field and licensing operations, and help implement the Compassion Saves Program.



COMMUNITY SAFETY

The City is committed to providing a safe community for all Long Beach residents and continues to pursue innovations and collaborative approaches towards this goal. New items proposed in the Budget include:

- » One-time funds of \$980,000 for the Community Crisis Response Program where an unarmed, first responder team can respond to mental health, substance abuse, and quality of life related 9-1-1 calls.
- » Create a new Collaborative Response and Engagement (CRE) Bureau in the Police Department to facilitate innovative approaches focused on building meaningful community relationships, and add 20 new Police Officers (16 Bike Officers and 4 Quality-of-Life Officers) to address root causes of crime through relationship-based community policing models.



BUSINESS ATTRACTION, SUPPORT, AND ECONOMIC DEVELOPMENT

Supporting Long Beach businesses and promoting economic development is a key part of the City's strategy in growing its revenue base and continuing towards the vision of being a city of opportunity. The Budget proposes new investments to support the business community, including:

- » Add an Analyst position to serve as a business liaison and support business outreach efforts.
- » Add three Permit Technician positions to ensure full staffing at the Permit Center.
- » Add two Planner positions to staff the public counter and zoning telephone line to support plan reviews and customer service.

HIGHLIGHTS OF THE PROPOSED FY 23 BUDGET

(CONTINUED)



ARTS, CULTURE, AND TOURISM

The City has a strong history of supporting the promotion of arts, culture, and tourism, and the FY 23 Budget maintains its strategic investments in this area, largely supported by the Special Advertising and Promotions Fund (SAP). Additionally, the Budget proposes items in non-SAP funds to further support, including:

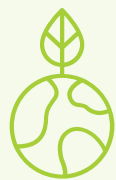
- » Create a new Pier H Bureau to oversee the operations of the Queen Mary and the development of the surrounding area.
- » Add an Events Coordinator to assist with the reopening of the Queen Mary.
- » Add an Analyst position for improved oversight of the operating contract for the Long Beach Convention Center.



INFRASTRUCTURE, MAINTENANCE, AND CRITICAL NEEDS INVESTMENTS

Investing and prioritizing infrastructure and maintenance needs remain a critical part of the City's efforts to maximize current resources for ongoing future benefits, including:

- » The City's FY 23 Capital Improvement Program is \$177 million, excluding Harbor.
- » A new \$228 million, 5-year Measure A plan for infrastructure, including \$150 million from issuance of Measure A bonds.
- » One-time Measure A funding of \$1.8 million to remove structurally defective trees in parks.
- » Conversion of armed 3.5 Park Ranger positions to 12.3 budgeted unarmed positions as part of a new Park Safety Ambassador, Clean Restroom, and Safe Playground Initiative to increase safety, close restrooms at night citywide, and have direct connection to Police Officers when additional assistance is needed.



CLIMATE CHANGE AND ENVIRONMENTAL SUSTAINABILITY

Stewarding the City's environmental resources, combating the consequences of climate change, and supporting various local sustainability practices are all major priorities for the City. Several key investments proposed in the Budget reflect this commitment, including:

- » Create a new Office of Climate Action in the City Manager's Office, adding 4 positions for a total of 9.3 positions when combined with the current Office of Sustainability.
- » Add a Planner position to help implement the City's Climate Action and Adaptation Plan actions.
- » Over \$7 million in AB 32 Cap-and-Trade Program allocations supporting projects that can demonstrate a GHG emissions reduction and with 83% invested in disadvantaged and/or low-income communities.



RECRUITMENT, RETENTION, AND STRENGTHENING INTERNAL ADMINISTRATIVE SERVICES

Organizations around the country are confronting the Great Resignation, a phenomenon that describes record numbers of people leaving their jobs post the pandemic. The FY 23 Budget includes investments to help Long Beach support strong recruitment and retention efforts, including:

- » Add two Personnel Analyst positions and one Personnel Assistant position in the Civil Service Department to help improve the time to hire staff.
- » Add one Personnel Analyst position in the Human Resources Department to focus on classification and compensation.
- » Add structural funding of \$104,317 for a Learning Management System for citywide staff development and training.



UNFUNDED OPERATIONAL NEEDS AND MAJOR LIABILITIES IMPROVEMENTS

As part of FY 23 Base Budget updates, the City was able to provide or make progress towards funding some of the City's unfunded and underfunded short-term and long-term liabilities, including \$300,000 to allow street tree trimming to stay on the existing 6-year cycle; \$617,467 to provide additional water required to maintain green, safe, and healthy spaces in our public places; \$465,000 to achieve the level of weed abatement with alternative herbicides; and \$499,258 for medical costs needed in the Animal Care Services Bureau and the Compassion Saves Program.

LOOKING TO THE FUTURE

The FY 23 General Fund shortfall situation of approximately \$20.2 million plus \$4.9 million of proposed one-time uses will be temporarily resolved with one-time solutions including funds made available through the Long Beach Recovery Act and reserves previously set aside to mitigate the impact of a Measure M litigation loss. This is a one-time solution and the City will need to address the shortfall in FY 24 currently projected at \$25.6 million. The City Manager and staff will develop plans to prepare for future budget challenges and work together with the Mayor, City Council, and community to best deliver services with prudent fiscal practices.

UNDERSTANDING THE CITY'S BUDGETARY FUNDS

THE CITY HAS 36 BUDGETARY FUNDS

The General Fund, at about 21 percent of the budget (approximately \$670 million), is the only completely discretionary fund and supports most of the services people associate with a City, such as public works, public safety, parks, and libraries. The other thirty-five funds make up the majority of the City's budget and are restricted by law for specific services. The funds fall into the following categories:

ENTERPRISE FUNDS: \$1.2 BILLION

These funds operate like a business charging for services, such as Airport, Harbor, and Water

TIDELANDS FUNDS: \$236 MILLION

These funds support operations and projects along the beach areas, funded by proceeds of oil revenues, transfers from Harbor, and Marina fees, among others

DEBT SERVICE FUNDS: \$35 MILLION

These funds account for the payment of governmental debt

SPECIAL REVENUE FUNDS: \$247 MILLION

These funds account for activities that are paid for by State and Federal grants, taxes, or designated revenue sources that are restricted for special purposes, such as the Health Fund

CAPITAL PROJECTS FUND: \$180 MILLION

These funds accounts for the planning, design, and construction of major capital improvements; funded by federal, state and county grants, impact fees, and transfers including from Measure A

INTERNAL SERVICES FUNDS: \$607 MILLION

These funds account for internal services provided to City departments with charges to those departments for the services; includes Fleet and Insurance Funds

UNDERSTANDING THE GENERAL FUND

Each year, the funding available to support City services fluctuates. The majority of the General Fund is comprised of tax revenues, and the most significant costs are for the employees who deliver City services. The numbers below reflect the approximate share of each revenue source and expense category per year.

REVENUE SOURCES

Sales & Use Tax (including Measure A)



Property Tax



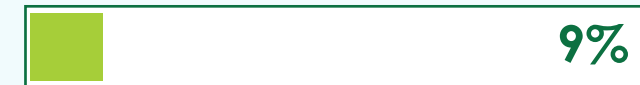
Charges, Fines, & Forfeitures



Property Tax in Lieu of Vehicle License Fee



Licenses, Permits, & Franchise Fees



Transfers, Interfund Services, & Other Revenues



Other Taxes



Utility Users Tax

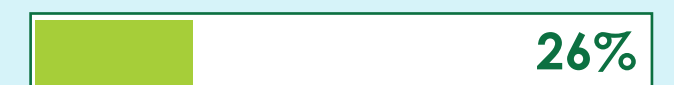


EXPENDITURE BREAKDOWN

Salaries



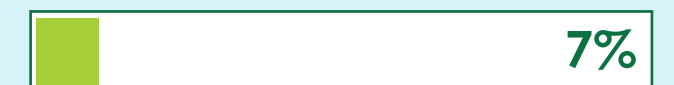
Other Employee Costs



Equipment & Maintenance



Contracts & Services



Utilities, Materials, Transfers



NOTES:



Get engaged with the FY 23 Budget development process:

- **Attend Budget Hearings at City Council meetings**
- **Attend Budget Oversight Committee meetings**
- **Attend Virtual Budget Community Meetings**
- **Complete the Digital Budget Comment Card**

For more information on the budget visit: longbeach.gov/finance



City of Long Beach
411 W. Ocean Blvd.
Long Beach, CA 90802

Visit us at www.longbeach.gov

   @LongBeachCity

To request this information in an alternative format or to request a reasonable accommodation, please contact Financial Management at 562.570.6225. A minimum of three (3) business days is requested to ensure availability. Reasonable attempts will be made to accommodate requests made within less than three (3) business days.