Dear Residents:

This year has been historic for the City with the completion of the new City Hall and Port Building, and the development of a new Main Library slated to open in September followed by a new 3½ acre park downtown. As we look to the future, I am proud to present a $2.8 billion Fiscal Year 2020 (FY 20) Budget that is prudent, forward thinking, and pursues stability. The FY 20 Budget continues to support the City’s efforts to address homelessness, affordable housing, public safety, economic development, infrastructure, and other investments that make Long Beach a great place to live, work, and play.

The City’s annual budget is one of the most important policy documents the City produces. It provides a financial plan and a framework for focusing on priority issues while maintaining core services to keep our community safe, dynamic, and thriving.

I thank you for your interest in your community and the FY 20 budget, and I look forward to seeing you at one of our many community meetings.

Patrick H. West
City Manager
SNAPSHOT OF A FULL-SERVICE CITY

SHINING A LIGHT ON THE DIVERSE SERVICES PROVIDED IN LONG BEACH

Patrol Services
9-1-1
Emergency Response Fire
Prevention and Emergency Response
Multi-Service Center
Rental Assistance and Affordable Housing
170 parks
12 Libraries
Lifeguard and Marine Safety
Pothole Repair
Street Sweeping
Graffiti Removal
Youth and Senior Programming
Clinical Health Services
Business Licensing
Storm Water Management
Refuse and Recycling Collection
Illegal Dumping Pick-Up
Tree Maintenance
Traffic Signs and Signals
Criminal Investigations
Jail Operations
Small Business Loans
Business Development
Districts
Clean Drinking Water
Natural Gas Utility
World-Class Airport
Port of Long Beach
Fleet and Towing Services
LBTV

The Homelessness Education and Response (HEART) Teams are projected to complete more than 1,700 service calls and 800 proactive contacts throughout the community.

Responded to more than 600 service requests and inquiries for mosquito control.

Provided $74M in rental assistance to low-income families.

Cataloged more than 1,000 Khmer language books generating a 20% increase in Khmer items being checked out.

Trimmed 20,000 trees.

Processed 2,705 Business Licenses and 51 Medical and Adult-Use Cannabis Business Licenses.

Welcomed more than 250,000 guests at the Belmont, King, and Silverado Pools.

Partnered with UCLA to incorporate a Mobile Stroke Unit into the City's response capabilities.

Served over 62,000 participants with Homeland Cultural Center activities.

Placed an outreach worker at 9-1-1 dispatch to respond to homeless concerns and questions.

**THE BUDGET AT WORK**
**FISCAL YEAR 2019 IN REVIEW**

Police were dispatched to 208,000 calls for service and Fire responded to 72,000 incidents.

Added 16,000 new library cardholders.

Repaired more than 33,000 potholes.

Conducted 632 alley clean-ups.

Offered Be SAFE programming at 11 parks over the summer.

HIV Care and Coordination Clinic provided 2,417 medical care and case management visits.

Collected 187,500 tons of trash and responded to more than 21,000 reports of illegal dumping.

Performed 1,954 food safety inspections at over 2,200 restaurants, markets, food vehicles and special events.

Planned an emergency shelter program with local motel owners.

Performed 5,954 food safety inspections at over 2,200 restaurants, markets, food vehicles and special events.

Nearly 1 million visits to Long Beach libraries, and more than 1.2 million library resources were used/accessed.

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**SPOTLIGHT ON 2020 FISCAL PRIORITIES**

**HOUSING AND HOMELESSNESS**

Long Beach remains a leader in its systematic approach to addressing homelessness and has permanently housed more than 5,000 people since 2013. This success is the result of leveraging multiple funding streams, collaborating with local partners, and identifying innovative approaches to prevent residents from falling into homelessness. These plans, outlined in the Everyone Home Long Beach Taskforce Report, include increasing prevention services, passing the tenant assistance program, and working to open the New Housing Navigation Center that will provide possession storage and shelter for 125 people. This past year, the City received nearly $27 million from a variety of Federal, State, and County grants with nearly $5 million from County Measure H and $32.3 million from the Homeless Emergency Aid Program (HEAP), as well as City funding.

Additionally, the City continues its commitment to the production and preservation of affordable housing which is essential to the health and vitality of Long Beach residents. Currently, construction and preservation efforts within the City are slated to produce 650 new affordable housing units that will serve low-income households, including homeless households.

**INFRASTRUCTURE**

The City’s FY 20 Capital Improvement Program is $179 million from various sources (excluding the Harbor Department) and includes $19.5 million from Measure A funds dedicated to enhancing the City’s aging and deteriorating infrastructure.

A few examples of the infrastructure investments areas in FY 20 include the following:

- $2.0 million of Measure A funds for park infrastructure improvements including continued work on Houghton Park Community Center, development of the Los Cerritos Wetlands, and Drake/Chaves Greenbelt.
- $2 million for beach and marina improvements to maintain and improve City operated resources located in and around City waterways, including repairs to critical Tidepools facilities such as the Convention Center and Naples Seawall.
- $548 million for mobility improvements, which include street repair and widening, traffic signal system expansion and upgrades, transit improvements, replacement parking and striping, neighborhood traffic management, and bike lanes.

**PUBLIC SAFETY**

Public safety continues as one of the City’s highest priorities. Citywide crime statistics reflect positive trends, including double-digit reductions in the areas of Robbery and Aggravated Assault. The City responded to over 72,000 fire, marine safety, and other emergency incidents equating to over 140,000 unit responses in FY 19.

The FY 20 budget continues to maintain previously funded public safety services and makes the following additional investments:

- Public safety positions maintained by Measure A increased to 121 positions (previously 108).
- Nine positions added in the General Fund to support the full implementation of the Body Worn Camera Program and to provide the support needed to meet State mandates. One-time cost of $1.35B,104 for camera acquisition, technology upgrades, and officer trainings is funded by Measure A.
- Two positions upgraded in the General Fund for the Justice Lab, which deploys a multidisciplinary approach to respond to individuals with high frequency contact with the justice system.
- $100,000 of Measure A one-time funds for a jail mental health clinician to minimize recidivism and strain on City services.
- $2.2 million of Measure A one-time funds for the Police Department’s Neighborhood Safe Streets Initiative, which uses community policing strategies to impact violent and property crime trends.
- $500,000 of General Fund one-time funds and $1.4 million of Measure A one-time funds to support the cost of Police Academies in FY 20 and FY 21.

**COMMUNITY**

Long Beach is a full-service City that provides a broad spectrum of services, invests in economic development, and supports critical needs that are essential to the overall quality of life for residents and our vibrant community. The FY 20 budget funds several items, which will increase and expand the inclusion of Long Beach’s diverse residents and their interests, such as:

- Continued work on 10-year Economic Blueprint including implementation of a Citywide Market for Hourly Labor Program to assist those with irregular work schedules, researching the creation of Opportunity Zones to promote development in underserved areas, and expanding the City’s small business loan program to serve more micro-businesses in underserved areas of the City.
- An addition of an Adoption Coordinator and administrative support position in the General Fund to manage Animal Care Services adoption/volunteer programming, and $100,000 of General Fund one-time funds for donation support for Animal Care Services.
- A full-time position in the General Fund to coordinate the Language Access Program, and $80,000 of General Fund one-time funds to continue with program implementation.
- $800,000 of General Fund one-time funds to support an accurate 2020 census count and efforts to redraw district boundaries.
- $1 million of General Fund one-time funds to support the seismic retrofit of Long Beach Community Hospital.
- Special Advertising and Promotions Fund one-time support to promote arts, culture, tourism, and communications: $200,000 for preparation and support of the 2020 Summer Olympic Games, $50,000 for POW! WOW! art murals, and $250,000 for wayfinding signage and historical plaques throughout the City.
Much of the City’s revenue and budget across these funds are restricted by law for specific services. The General Fund is the only completely discretionary fund to be spent on general City services.

**FUNDING A FULL-SERVICE CITY**

**ALL FUNDS VS GENERAL FUND**

- Police: 48.0%
- Fire: 20.0%
- Disaster Prep.: 2.6%
- Public Works: 8.1%
- Parks, Rec. & Marine: 7.0%
- Other: 6.8%
- Elected & Appointed: 2.9%
- Library Services: 4.7%
- Public Safety: 71%

**THE CITY HAS 38 FUNDS**

**Enterprise Funds:** $1 billion. These funds operate like a business charging for services, such as Airport, Harbor, Water, among others.

**Capital Projects Fund:** $85 million. This fund 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.

**Debt Service Fund:** $35 million. This fund provides for the payment of governmental debt.

**General Fund:** $554 million. These funds account for general services such as public safety, parks, public works, and libraries; funded by taxes, fees, fines, and transfers.

**Internal Services Funds:** $503 million. These funds account for internal services provided to City departments with charges to those departments for the services; includes Fleet and Insurance Fund, among others.

**Special Revenue Funds:** $257 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.

**Tidelands Funds:** $207 million. These funds support operations and capital along the beach areas, funded by proceeds of oil revenues, transfers from Harbor, and Marina fees, among others.

**Uplands Oil Fund:** $12 million. This fund receives non-Tidelands oil revenues to fund operations and capital.

**Gross Revenue Sources**

- All Funds: $2.80 Billion
- General Fund: $554 Million
- Other: $2.25 Billion

**General Fund Expenditure Breakdown**

- Property Tax: 22.7%
- Charges, Fines, and Forfeitures: 9.7%
- Licenses, Permits, and Franchise Fees: 9.6%
- Sales and Use Tax (Non Measure A): 9.5%
- Sales and Use Tax (Measure A): 10.7%
- Equipment & Maintenance: 10.6%
- Transfers, Interfund Services, and Other Revenues: 9.0%
- Other Employee Costs: 11.0%
- Utilities, Materials, Transfers: 9.8%
- City Manager, Development Services, Financial Management, Health & Human Services, Economic Development and Citywide Activities Departments: 7.2%
- Other: 5.9%
- Financial Management: 4.7%
- Other: 6.8%
- General Fund Services: 48.0%
- Transfers, Interfund Services, and Other Revenues: 22.5%

**FUTURE FORECAST**

Long Beach has transformed itself over the years and is continuing to do so at an accelerated pace with a robust economy, wonderful amenities, a great location, and welcoming environment. However, even with everything the City has going for it, ongoing expenses are projected to outpace revenues for at least the next few years. This is typical of many California cities with constrained revenue sources and costs that tend to increase at the rate of inflation or higher. Maintaining operations and finding one-time funds for infrastructure or other purposes is expected to be a substantial challenge. Balancing future budgets will require some combination of new revenues, cost savings, noticeable service reductions, and/or new ways of service delivery. Identifying solutions to balancing budgets over the next few years is expected to be a high priority for the City Manager, Mayor, and City Council.

For more details on the budget balancing efforts and to review the City’s five-year outlook, visit: longbeach.gov/finance
For more information on the budget, community budget meetings, and budget survey, visit: longbeach.gov/finance

An accurate 2020 Census count helps pay for education, roads, safety, and human services. Get counted and learn more at longbeach.gov/census