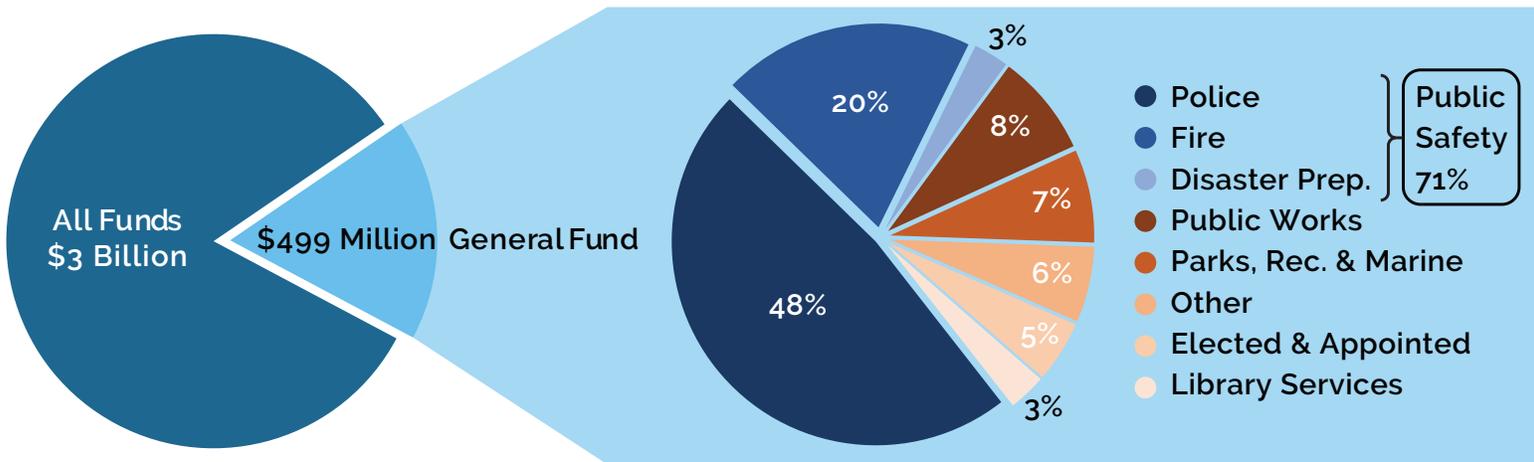


This handout summarizes the City Manager's FY 19 Proposed Budget that has been presented to the Mayor and City Council for consideration. The FY 19 Budget must be adopted by the City Council by September 15, 2018. Please see the back page for information on how you can share your preferences with us.

CITY BUDGET

The only portion of the City's \$3 billion budget that is completely discretionary is the General Fund. The General Fund accounts for only 17 percent (\$499 million in ongoing operating costs) of the FY 19 Proposed Budget.



BUDGET HIGHLIGHTS

The General Fund budget is structurally balanced and contains significant investments in public safety and infrastructure. The budget also focuses on homelessness, clean city services, economic development, arts and culture, technology and innovation as described below.



Addressing Homelessness is a Key Focus

Currently, the City is spending approximately \$10 million on addressing homelessness provided by a variety of Federal, State, and County funding, in addition to City funding. The City will also benefit from a \$2.6 million grant from County Measure H, as well as a \$3.4 million grant for a year-round homeless shelter. Furthermore, the City anticipates receiving approximately \$12 million in one-time funds as part of the State Homeless Emergency Aid Program. The FY 19 Budget proposes four additional Quality of Life Police Officers and up to one Detective (three positions pending LA Metro approval); a Fire HEART team to benefit street outreach made up of two additional firefighters; and support for homeless encampment clean-ups.



Public Safety Remains a Top Priority

Measure A plays a central role in maintaining public safety services (supporting 108 Police Officers and Firefighters) and allowing new services to be added in FY 19 along with the 35 Police Officers and Firefighters that have already been added since the adoption of Measure A. With Measure A funds, the FY 19 Budget proposes two additional Quality of Life Police Officers and two additional firefighters for a HEART team as mentioned in the section above; \$1.9 million in one-time funding in the Police Department for the Neighborhood Safe Streets Initiative; \$2.1 million in one-time funding for a double Police Academy in FY 19; \$900,000 in one-time funding for a double Fire Academy in FY 19; \$130,000 in one-time funding for a vehicle and equipment needed for the additional HEART unit; and, \$600,000 in one-time funding for safety camera network modernization and expansion. The budget also includes non-Measure A enhancements and efficiencies for Public Safety, which can be found in the Budget Book.





Investment in Public Infrastructure and Other Critical Needs

The FY 19 Budget proposes a robust Capital Improvement Program (CIP) bolstered by Measure A funds, as well as strategic investments into other critical citywide needs, such as the City's technology infrastructure. The City's FY 19 Capital Improvement Program is \$96.8 million from various sources, excluding the Harbor Department, supplemented by \$24.0 million from Measure A funds dedicated to City's aging infrastructure, for a total of \$120.8 million. In FY 19, the focus will include streets, alleys, sidewalks/curbs, parks, mobility improvements, beaches and marinas, utilities, and various facilities citywide.



Focus on Economic Development

Investing in economic development is a key part of our strategy to grow the City's revenue base and help balance future budgets. The FY 19 Budget adds eight positions in the Development Services Department that are funded by permit revenue from increased development activity and will provide specialized services for new high-rise development applications, improve Permit Counter wait times, improve public communications on land use issues, and meet increased demand for inspections. In FY 19, work will continue to be done on implementing the recommendations of the ten-year Blueprint for Economic Development.



Innovation and Efficiencies

The City has a history of pursuing innovative solutions to provide the best services for its residents and businesses. The FY 19 Budget includes implementing a new service model allowing seven-day library coverage citywide resulting in access to the library system every day at no new net cost; creating the Office of Civic Innovation; establishing a Project Management Bureau in the Public Works Department for improved management and oversight of critical citywide projects; and establishing a Community Engagement and Partnership Bureau in Parks, Recreation, and Marine Department to pursue more grants and develop a strategic plan for ongoing sustainability of programs.



Investments in Arts and Culture

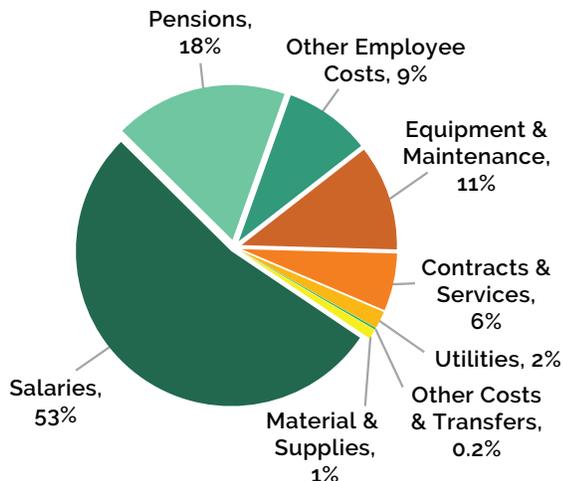
Hotel occupancy tax revenues in the Special Advertising and Promotions Fund (SAP) allow the City to make strategic investments into arts, culture, and tourism. The budget increases the City's contributions to the Long Beach Convention and Visitor's Bureau, the Museum of Art, and the Long Beach Arts Council. The budget provides one-time funding for the POW! WOW! Mural program, an additional Beach Street event to help improve the City's livability and "bikeability" efforts, and continues to support the new gateway and wayfinding signage program.



Funding Social Needs

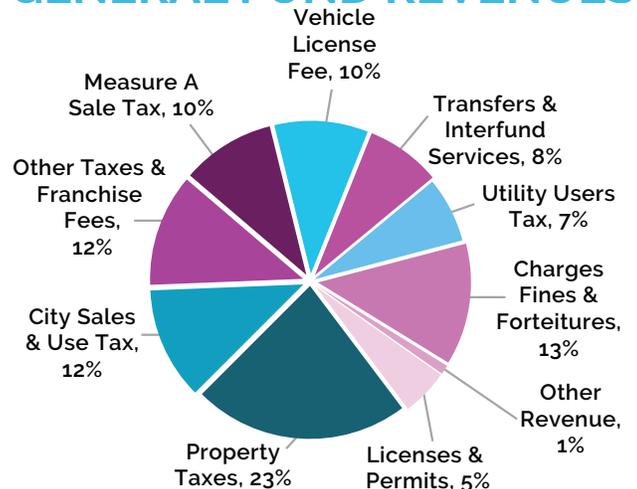
The FY 19 Budget provides structural General Fund funding for a Special Projects Officer to continue the work of the Office of Equity previously funded by grant funds which have ended; \$192,000 in one-time funding to continue the current locations of the Be SAFE program; \$200,000 in one-time funding to support programs or activities for youth well-being through a Participatory Budgeting process; and, \$80,000 in one-time funding for Language Access Plan (LAP) implementation.

GENERAL FUND EXPENDITURES



The salaries and benefits of employees that perform City services account for 80 percent of General Fund expenditures. All other General Fund expenditures account for 20 percent.

GENERAL FUND REVENUES



The General Fund primarily relies on general tax revenue. In FY 19, approximately 60 percent of all General Fund Revenues come from taxes. The City receives 21 percent of L.A. County property taxes.

STRATEGIC INVESTMENTS

The proposed budget invests approximately \$5.1 million in General Fund one-time funding for strategic items as identified in the following chart:

Title	Est. Cost	Status
Public Safety		
Police Department Records Management System Critical Upgrade	\$2,000,000	Critical upgrades to comply with the Department of Justice's mandate to implement the new national incident-based crime reporting systems.
Be S.A.F.E. Program	\$192,000	Funding to continue existing Be S.A.F.E. program sites.
Code Enforcement Prosecution	\$150,000	Prosecution of Code Enforcement violations to improve living conditions
Body Worn Camera Redaction Services	\$100,000	Body-worn camera redaction services.
Mental Health Clinician	\$100,000	Extend jail clinician services in an effort to minimize recidivism and re-arrest rates
Livability		
Parks Critical Water Needs	\$1,200,000	Critical water needs in the City parks to be more in line with plant water-ing requirements and combat safety issues such as urban tree failures.
Proactive Homeless Initiative	\$255,000	Support citywide efforts to address homelessness, including rapid response, clean-ups, and outreach.
Language Access Program	\$80,000	Continue the Language Access Program (LAP) implementation to promote equal access to City services for all residents.
Other		
2018 Elections	\$663,000	Expenses related to the Charter Amendments on the November 2018 ballot.
Youth and Children Support	\$200,000	Programs or activities supporting youth well-being through a Participatory Budgeting process.
Animal Adoption Pilot	\$120,000	Animal Adoption pilot program to increase adoptions through Animal Care Services.
Volunteer Coordinator Program Pilot	\$37,710	Parks coordinator position to recruit, coordinate, assign, and monitor volunteers.
	\$5,097,710	

STRONG COMMUNITY SUPPORT

The Long Beach community has been very supportive of the City and the goal to both maintain and restore services. In 2016, the City revenues were not adequate to maintain, much less restore or add services, with factors such as rising pension costs. At that time, voters approved **Measure A**, which established a temporary sales type tax increase. Measure A has since been instrumental in restoring and enhancing public safety in addition to allowing the City to maintain police and fire services. It has also provided funding to improve our streets, roads, and other infrastructure such as parks, libraries, and park buildings. **Measure MA** approved by the voters provided for a tax on cannabis sales and gave the City more flexibility to address the costs of cannabis enforcement, provide funding for homelessness and helps support public safety. At present, Measure MA is not generating much revenue, but is expected to do so in the future. Litigation brought by two citizens also threatened City services in 2018 by blocking long-standing utility revenue transfers that have funded City services for over 60 years. Again, voters supported City services by approving **Measure M**, which reversed the adverse impacts of the litigation and effectively restored the historical status quo. This allowed current services to be retained that would have been adversely impacted.

THE FUTURE

The FY 19 General Fund Budget is structurally balanced and maintains core services. However, Long Beach, as with almost all other major cities, faces a number of challenges, including slow revenue growth, unfunded employee benefits and insurance, and deferred maintenance. The future fiscal outlook shows that there are financial challenges and projected budget shortfalls in the General Fund that need to be addressed and eliminated. The projection shows a potential \$9.3 million shortfall for FY 20 and \$0.8 million surplus for FY 21. This projection does not include wage increases (current employee contracts will end in FY 19 and be open for negotiation in FY 20 and FY 21). These are early projections and likely to change as more information becomes available. Developing solutions and approaches for the projected shortfalls as well as addressing any need for increased services will be a City Manager priority in FY 19.

COMMUNITY ENGAGEMENT OPPORTUNITIES

Your input is a very important part of the budget process and your participation is highly encouraged. There are a variety of ways to participate in the FY 19 Proposed Budget process.

READ THE BUDGET BOOK

Available online in full length or summary format at longbeach.gov



EXPLORE THE BUDGET VISUALLY

Use OpenLB to explore the Fiscal Year 2019 Proposed Budget at longbeachca.opengov.com.



TAKE THE LONG BEACH BUDGET PRIORITY SURVEY

This simple survey lets you identify what the City's General Fund priorities should be. Go to longbeach.gov/budgetsurvey.

Service	Very Important	Somewhat Important	Not Very Important	Not at All Important	No Opinion
Providing free or low-cost recreation programs for youth	<input type="checkbox"/>				
Maintaining and repairing public buildings (community and senior centers, fire stations, libraries, etc.)	<input type="checkbox"/>				
Providing special events and programs for families	<input type="checkbox"/>				
Maintaining a low crime rate	<input type="checkbox"/>				
Preparing the community for emergencies or disasters	<input type="checkbox"/>				
Providing programs for seniors	<input type="checkbox"/>				
Maintaining parks	<input type="checkbox"/>				
Providing neighborhood police patrols	<input type="checkbox"/>				
Enforcing traffic laws	<input type="checkbox"/>				
Providing fire protection services	<input type="checkbox"/>				
Keeping the City attractive and eliminating blight	<input type="checkbox"/>				
Planning for the future of the city	<input type="checkbox"/>				
Maintaining and repairing streets (fixing potholes, etc.)	<input type="checkbox"/>				
Creating new parks and open space	<input type="checkbox"/>				
Providing business assistance and supporting economic development	<input type="checkbox"/>				
Providing access to libraries (hours of operation)	<input type="checkbox"/>				
Providing new Library books, ebooks, media and access to technology	<input type="checkbox"/>				
Maintaining and repairing sidewalks	<input type="checkbox"/>				
Reducing ocean pollution by improving storm drains	<input type="checkbox"/>				
Providing library programs and services (reading, homework help, etc.)	<input type="checkbox"/>				
Providing animal care/animal control services	<input type="checkbox"/>				
Providing code enforcement services (citing blighted buildings, etc.)	<input type="checkbox"/>				
Providing prompt graffiti removal services	<input type="checkbox"/>				

SHARE YOUR THOUGHTS ONLINE

@CityofLongBeachCA on Facebook, @LongBeachCity on Twitter, and use #LBFY19.



ATTEND A BUDGET MEETING & SHARE YOUR THOUGHTS IN PERSON

See calendar online at longbeach.gov

CALL OR EMAIL YOUR COUNCILMEMBER

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mayor@longbeach.gov

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