

Date: July 27, 2021

To: Thomas B. Modica, City Manager



From: John Gross, Interim Director of Financial Management



For: Mayor and Members of the City Council

Subject: Update on an RFP for an Emergency Loan Program for City Employees

On August 14, 2018, the City Council requested the City Manager to direct the Financial Management Department (FM) to issue a Request for Proposals (RFP) to identify qualified lending institutions that administer short-term, emergency lending services to City employees. On September 24, 2018, the Financial Management Department issued an update that discussed the timing of an RFP issuance for employee emergency loan programs and outlined loan programs already available to City employees. This memo provides the City Council a status update on this item.

FM staff continues to be heavily invested, in both time and resources, to the successful implementation of the new financial and human resource system (LB COAST). Due to this work, all payroll modifications remain frozen, including the potential of adding another emergency loan program which would be necessary if a vendor different from our loan program providers was added by the City. As a result, the requested RFP is still expected to be issued as soon as practical, after the implementation and stabilization of the new financial and human resource system, which includes a new payroll program. This system is currently scheduled for roll out in the second quarter of 2022.

Employees continue to have access to several excellent and low-cost options loan programs through the Long Beach City Employees Federal Credit Union (LBCEFCU), the Long Beach Firemen's Credit Union (LBFCU), and the City's deferred compensation administrator (ICMA-RC). All offer the option of loans using payroll deductions to repay the loan. There have been no complaints about these programs, and we believe that issuing an RFP after the LB COAST implementation and stabilization will not cause any hardships for employees.

If you have any questions regarding this matter, please do not hesitate to call me at (562) 570-6427.

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