City of Long Beach
FY 05-06 to FY 19-20 Budget Analysis
Welcome

Recognize the Moment

People’s Budget

Re-imagine Long Beach
I – Understanding budget history to shape the future

II – Analyzing essential services

III – Budgeting for FY 2020-21

IV – The path forward and the people’s budget
Understanding budget history to shape the future
Understanding budget history to shape the future

TOTAL BUDGET BY DEPARTMENT
FY05-06 TO FY19-20

FY06: $2,732,641,573
FY07: $2,833,212,847
FY08: $3,087,052,256
FY09: $2,553,001,323
FY10: $3,063,456,082
FY11: $3,195,084,806
FY12: $3,005,495,631
FY13: $2,775,093,838
FY14: $2,555,643,576
FY15: $2,508,416,514
FY16: $3,182,074,099
FY17: $2,804,767,253
FY18: $3,182,074,099
FY19: $3,182,074,099
FY20: $3,182,074,099
Understanding budget history to shape the future

Given their reliance on economic activity, shortfalls are likely being realized in revenue from sales, hotel, and business taxes.

Measure A also appears to be headed in a loss with a $7 million shortfall.

Other: Fines and forfeitures, franchise fees, other agency transfers, etc.

Understanding budget history to shape the future
Understanding budget history to shape the future

FY19-20 General Fund Expenditures
$556 million

- Health, Library, PRM, & Public Works: $93.5M, 17%
- Police: $243.8M, 44%
- Other Departments (Auditor, City Manager, Clerk, Council, Dev Services, Fire, etc.): $218.3M, 39%
Understanding budget history to shape the future

PERCENT SHARE OF GENERAL FUND
FY05-06 TO FY19-20

Police
All Other Departments

FY06 FY07 FY08 FY09 FY10 FY11 FY12 FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20

45% 55% 54% 54% 52% 51% 52% 51% 55% 57% 56% 58% 57% 57% 58% 56%

46% 46% 48% 49% 48% 49% 45% 43% 44% 42% 43% 43% 42% 44%
Understanding budget history to shape the future

GENERAL FUND SUMMARY
FY05-06 TO FY19-20

- Other Departments
- Police
- Health, Library, PRM, & Public Works

FY06: $171,571,642
FY07: $176,854,263
FY08: $180,441,643
FY09: $176,854,263
FY10: $171,571,642
FY11: $154,430,144
FY12: $140,441,643
FY13: $208,949,525
FY14: $216,926,585
FY15: $213,735,131
FY16: $216,926,585
FY17: $213,735,131
FY18: $243,820,542
FY19: $218,395,548
FY20: $93,540,872
Understanding budget history to shape the future
<table>
<thead>
<tr>
<th>Department</th>
<th>FY 06 GF</th>
<th>FY 20 GF</th>
<th>Difference</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Human Services</td>
<td>$5,531,349</td>
<td>$3,402,660</td>
<td>- 2.1 M</td>
<td>- 38%</td>
</tr>
<tr>
<td>Library Services</td>
<td>$13,906,281</td>
<td>$14,295,119</td>
<td>+ $388 K</td>
<td>+ 2.1%</td>
</tr>
<tr>
<td>Parks, Recreation and Marine</td>
<td>$31,879,189</td>
<td>$35,186,609</td>
<td>+ $3.3 M</td>
<td>+ 10%</td>
</tr>
<tr>
<td>Police</td>
<td>$208,461,129</td>
<td>$243,820,542</td>
<td>+ 35.3 M</td>
<td>+ 17%</td>
</tr>
<tr>
<td>Public Works</td>
<td>$36,344,852</td>
<td>$40,656,484</td>
<td>+ 4.3 M</td>
<td>+ 11%</td>
</tr>
</tbody>
</table>

Understanding budget history to shape the future
Analyzing Essential Services
Analyzing Essential Services – Housing

Development Services Dept. - Housing and Neighborhood Services Division

• Overview
  • Managing CRA projects
  • Housing operations – affordable housing, renter and buyer assistance, federal HUD grant administration, community outreach, neighborhood resource center

• FY19-20 Fund Analysis
  • Budgeted for $46 million
  • Successor Agency Fund 69%, Community Development Grants Fund 22%, Housing Development Fund 9%, General Fund <1%

• Key Takeaway
  • Heavily reliant on CRA funds
  • Almost zero General Fund commitments
Development Services Dept. - Code Enforcement Division

• Overview
  • Issue citations, implement vacant lot registry, inspect cannabis proprietors, nuisance abatement, etc.

• FY19-20 Fund Analysis
  • Budgeted for $7.5 million
  • General Fund 54%, Development Services Fund 26%, Community Development Grants Fund 20%

• Key Takeaway
  • FY05 – 06 inflation adjusted commitment stood at +/- $5.7 million
  • Real increase over 15 years is +/- $1.8 million
  • General Fund ratio poses risk as budgeting for COVID-19 takes shape.
Analyzing Essential Services – Housing

Health & Human Services Department
• Housing Authority
  • Rental assistance, vouchers, case management, veterans services, senior services, financial literacy courses, disabled etc.

• FY19-20 Fund Analysis
  • Budgeted for $93.6 million
  • 100 % Housing Authority Fund via HUD

• Key Takeaway
  • Zero General Fund commitments
  • Special funding does provide protections in down revenue years
Analyzing Essential Services – Measure A

MEASURE A EXPENDITURES
FY16-17 TO FY19-20

- Public Safety (Policy + Fire)
- Infrastructure

FY17: $8,867,605
FY18: $26,781,800
FY19: $32,800,000
FY20: $38,668,418

FY16-17: $8,867,605
FY18-19: $32,800,000
FY19-20: $38,668,418
# Analyzing Essential Services – Youth Development

<table>
<thead>
<tr>
<th>Dept.</th>
<th>Program</th>
<th>FY06-FY09</th>
<th>Starting FY10 (Government Reform)</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRM</td>
<td>Out of School, Community Services, Sports, Enviro Education, Aquatics</td>
<td>Budgeted between $4.5 &amp; $5.2 million, and between 56 to 100 FTE</td>
<td>Consolidated under large Community Services Division. Ambiguous budget</td>
<td>No major change.</td>
</tr>
<tr>
<td>Health</td>
<td>Family and Youth Services</td>
<td>Budgeted as high as $2.2 million, and 17 FTE</td>
<td>Consolidated under large Human Services Bureau. Ambiguous budget</td>
<td>Some grants through My Brothers Keeper and others, no major change.</td>
</tr>
<tr>
<td>Library</td>
<td>Youth Literacy Development</td>
<td>Budgeted as high as $3.2 million and 36 staffers</td>
<td>Eliminated, with functions redistributed to Main and Neighborhood Library Services. Ambiguous budget</td>
<td>Legacy youth-related program lives under the Main Library Services division – with no clear information about investments.</td>
</tr>
<tr>
<td>Multiple</td>
<td>Youth Employment</td>
<td>Under Community Dev, program was budgeted as high as $3.6 million and 19 FTE</td>
<td>Community Dev was dissolved and workforce development was transferred to the HR Dept. Ambiguous budget</td>
<td>In FY16, the programs was transferred under the new Economic and Property Development Department (re-named Economic Development in FY18).</td>
</tr>
</tbody>
</table>
Budgeting for FY 2020-21
## General Fund At-Risk (ongoing)

<table>
<thead>
<tr>
<th>Department</th>
<th>Program</th>
<th>Service</th>
<th>FY 20 GF Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Human Services</td>
<td>Human Services</td>
<td>Homeless services, Families &amp; Youth, Violence Prevention</td>
<td>10%</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>Collective Impact</td>
<td>Equity Framework, Language Access</td>
<td>24%</td>
</tr>
<tr>
<td>Parks, Recreation and Marine</td>
<td>Park Planning</td>
<td>Community outreach, park master plan</td>
<td>68%</td>
</tr>
<tr>
<td>Parks, Recreation and Marine</td>
<td>Community Services</td>
<td>Youth programs, food services</td>
<td>77%</td>
</tr>
<tr>
<td>Parks, Recreation, and Marine</td>
<td>Maintenance</td>
<td>Park renovation, special events</td>
<td>91%</td>
</tr>
<tr>
<td>Library</td>
<td>All Divisions</td>
<td>Main, branch, etc.</td>
<td>85-100%</td>
</tr>
</tbody>
</table>
Budgeting for FY 2020-21

<table>
<thead>
<tr>
<th>Program</th>
<th>General Fund Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Census outreach</td>
<td>$600,000</td>
</tr>
<tr>
<td>Citywide houseless efforts</td>
<td>$255,000</td>
</tr>
<tr>
<td>Weekend houseless outreach</td>
<td>$115,000</td>
</tr>
<tr>
<td>Language Access Plan</td>
<td>$80,000</td>
</tr>
<tr>
<td>Expanded Library Hours</td>
<td>$88,000</td>
</tr>
</tbody>
</table>
Budgeting for FY 2020-21

- **General Fund Shortfalls**
  - FY20: $25-$41 million
  - FY21: $30 million
  - FY22: $13 million
  - FY23: $22 million

- **City Proposal (May 19)**
  - Non-Public Safety cuts will be a range from range of 0-12% of budgets;
  - Public Safety will be a range of 0-3.5% of budgets

- **Budget Strategy**
  - $7 million shortfall in Measure A revenue for FY20; $2 million for FY21.
  - $5 million shortfall in Tideland Operating Fund revenue; $19 million for FY21 (Marina)
  - Placeholder budget in September for FY20–21.
  - Another round of updates in Oct-March
  - Planning around additional federal and state action
## Federal Action

<table>
<thead>
<tr>
<th>Source</th>
<th>Funding</th>
<th>Purpose</th>
<th>Misc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Reserve Loan</td>
<td>$292.7 million</td>
<td>Flexible – backfill revenue shortfall</td>
<td>Application live in June</td>
</tr>
</tbody>
</table>
| Heroes Act                      | 2020: $294.1M  
2021: $147 M  
Total: $441.1 M | Flexible – backfill revenue shortfall                            | Awaiting Senate approval                   |
| Community Development Block Grant (CDBG) | $3.6 million       | Housing, infrastructure, and now some public health expenses | Through Dept. of Housing & Urban Development |
| Emergency Solutions Grants (ESG) | $1.8 million             | Housing and houseless programs                                  | Through Dept. of Housing & Urban Development |
Budgeting for FY 2020-21

• Reserves
  • Operating reserve, $13.5 million
  • Emergency reserve, $45.5 million

• Schools and Communities First
  • +/- $32 million for Long Beach
  • Transparency and accountability measures included, localities decide spending
  • Revenue will come in phases as the state will decide implementation.
The Path Forward and The People’s Budget
• Our North Stars: shift the narrative, continue reversing historic trends, & build community power

• Our goals: Call on the City Council to pass the People's Budget and call on Mayor Garcia to immediately take action on the inequities in the Budget Oversight Committee.

• Sign up at lbforward.org/peoples-budget, get involved in campaign, join us on Tuesday for our press conference.

• Share on social media using the hashtags #PeoplesBudgetLB and #DefundLBPD
Thank You!