

# Proposed Budget Hearing • 2017-18



*powering*  
**SMART** Recovery

## 2017 Proposed Budget 2018



**CITY OF  
LONG BEACH**

# AGENDA

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**01**

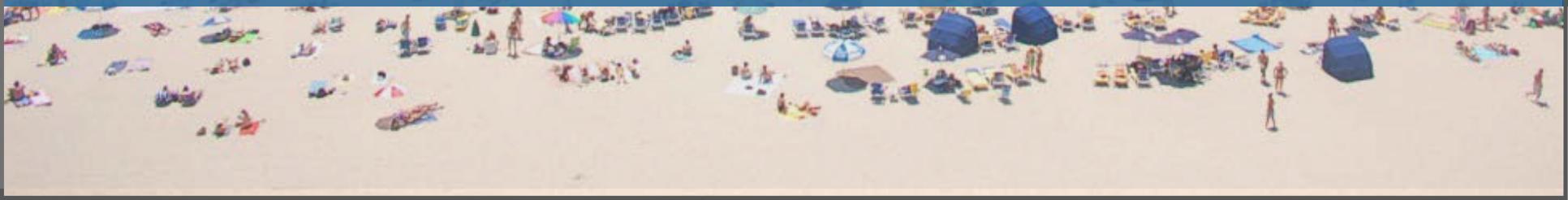
**Residents Guide To The Budget**

**02**

*powering a SMART recovery*

**03**

**Budget In Detail**

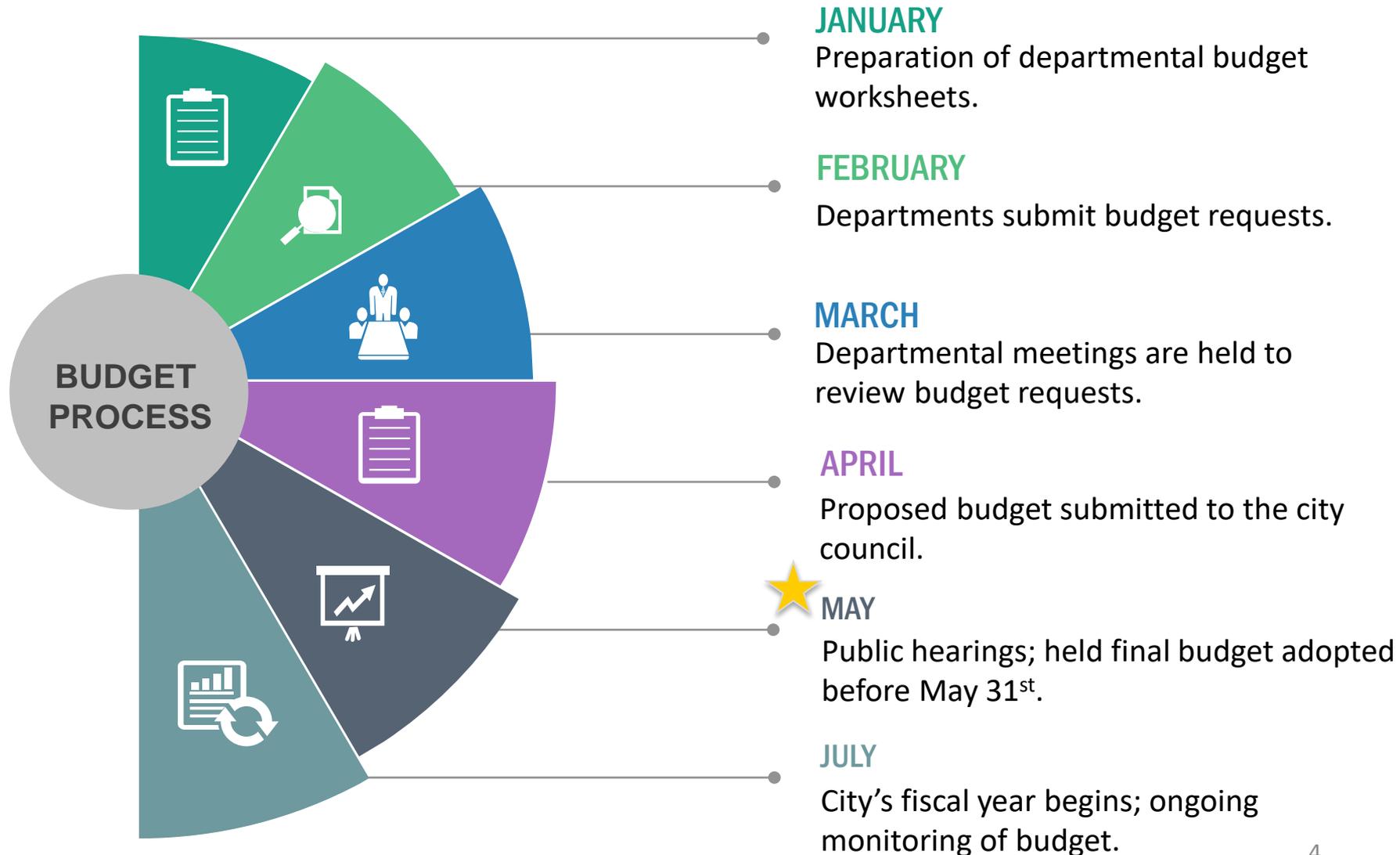




# Budget Process

## Residents Guide

# City's Annual Budget Cycle



# Budget Document - *More than Just Numbers...*

This budget is the policy tool and framework through which we allocate the resources to power our SMART recovery.



**Comprehensive budget document**



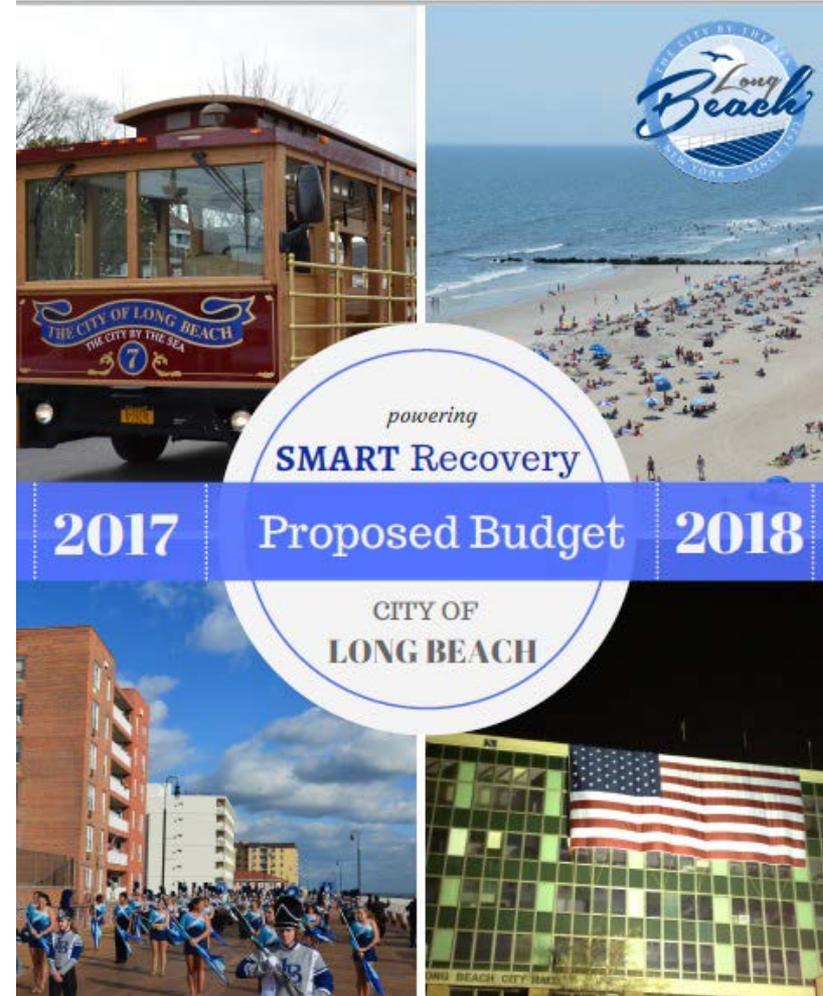
**Improved budget narrative**



**Informative, Easy-to-read format**



**Expanded departmental budgets, summaries and City Profile**



# City's Mission Statement & Goals

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## MISSION STATEMENT

The City of Long Beach, through the City Council, City Manager and City employees, will deliver municipal services to its residents in a fiscally responsible, efficient, responsive, and friendly manner.

## GOALS

- ✓ Maintaining and further enhancing the quality of Long Beach life for Long Beach residents and business owners;
- ✓ Building trust in government through open two-way communication, resident engagement and transparency;
- ✓ Governing responsibly through effectively managing and protecting public resources;
- ✓ Protecting the safety of our residents and Barrier Island;
- ✓ Providing a diverse, inclusive and welcoming atmosphere to live, work and raise families;
- ✓ Offering a wide variety of quality recreational and cultural programs year-round.

The slide features several decorative dotted lines. One is a vertical line on the left side. Another is a horizontal line that passes through the main title. There are also two large, abstract, swirling dotted lines, one in the upper right and one in the lower left, framing the central text.

• *powering a SMART recovery* •

*Looking Forward*



# MANAGING OUR FISCAL and PHYSICAL RECOVERY

Implementing our long-term fiscal recovery plan and rebuilding our infrastructure.

## Implementing Long-Term Fiscal Recovery

- ✓ Declared Fiscal Crisis after facing near bankruptcy upon taking office.
- ✓ Implemented strict policies and cost savings measures; Identified new revenue streams.
- ✓ Prepared six consecutive balanced budgets; stayed within the tax cap for four years.

## Restored Fund Balance \$24.2M Turnaround

- ✓ Restored the City's rainy day fund from (\$14.7M) to \$9.4M<sup>1</sup>.
- ✓ Judiciously used our surplus to pay for the previous administration's deficit.

## Improved Fiscal Indicators

- ✓ Nine consecutive positive credit actions from Moody's, including credit rating upgrades.
- ✓ Reduced New York State Comptroller's fiscal stress score dramatically.

### Progress to Date

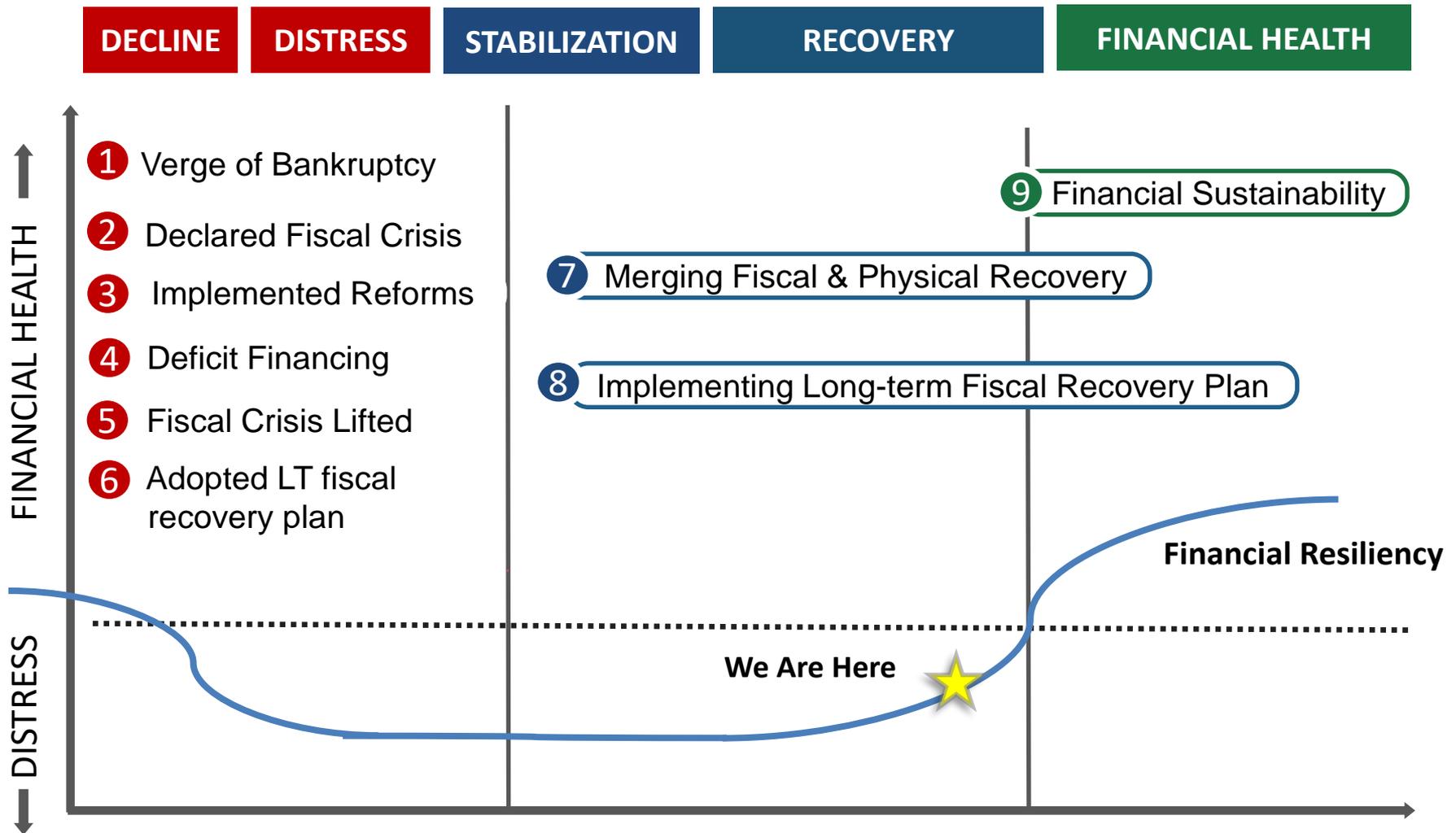


### Looking Forward

- Staying within our Long-Term Fiscal Policy
  - Protecting fund balance; Establishing reserves.
  - Improve efficiency through organizational realignment.
  - Monitor rising fixed costs, manage contractual agreements and identify new revenue streams.

<sup>1</sup>General Fund balance reflects a subsequent event/cash flow timing of the receipt of \$1.9M in FTA operating funds.

# Stages of Financial Recovery – Where we are



\*Adopted from Government Finance Officers Association



# MANAGING OUR FISCAL and **PHYSICAL** RECOVERY

*Implementing our long-term fiscal recovery plan and rebuilding our infrastructure.*

## Superstorm Sandy

- ✓ Brought in unparalleled resources and assistance to the City immediately after the storm.
- ✓ Rebuilt a \$42M boardwalk with resilience, on time and under budget, paid for entirely by federal and state recovery funding.
- ✓ Residential Rebuilding Assistance Program assisting 1,481 households.
- ✓ Building Permits - Expedited a 934% increase in building permits.

## Infrastructure and Resiliency

- ✓ Undertaken 200+ infrastructure projects, channeling hundreds of millions of dollars into our community to protect our barrier island and preserve quality of life.
- ✓ Secured federal and state funding for beach and bayside protection through large-scale projects.
- ✓ More than doubled road repaving and reconstruction projects.
- ✓ Invested significant funding to resiliently upgrade critical infrastructure.

### Progress to Date



### Looking Forward

- Completing Army Corps of Engineers project.
- Implementing projects to secure the bayside.
- Establishing an Office of Emergency Management.



Thank You to the hard working members of the  
CSEA & our entire Management Staff.

*Our SMART recovery has generated \$7.2 million to date,  
reducing the burden on our residential taxpayers.*



# PUBLIC SAFETY

*Serve and protect the residents, businesses, and visitors of Long Beach.*

## Police Department

- ✓ Restructured the Police Department to put more officers on the street.
- ✓ Intelligence-led policing resulting in a 15% reduction in violent crimes from 2015 to 2016.
- ✓ Initiating various aspects of Community Policing.

## Improved Traffic Safety

- ✓ Enacted the Complete Streets initiative.
- ✓ Speed limit reductions (now 25 citywide & lower in other areas); retimed traffic lights.
- ✓ Collaborated with AT&T “It Can Wait” campaign and implemented and safe routes to school.

## Fire Department

- ✓ Restructured the Fire Department; updated outdated model with more ambulances and certified paramedics.
- ✓ Improved EMS response time by 28%, year over year.
- ✓ Successfully fought to reopen a 911-receiving emergency room.

### Progress to Date



### Looking Forward

- Expanding our community policing initiatives.
- Implementing the license plate reader system to keep Long Beach residents safe.
- Continuing the implementation of recommendations from the ICMA report.
- Enhance protection of houses of worship.



# QUALITY OF LIFE

Providing a diverse, inclusive and welcoming atmosphere to live, work and raise families.

## Enhanced Recreational Activities

- ✓ Restored and rebuilt all City playgrounds; ensured all parks and the beach are smoke-free.
- ✓ Expanded events and activities.
- ✓ Offered an unprecedented variety of local food, shopping, and entertainment options on the beach and boardwalk.

## Improved Beautification and Transportation

- ✓ Created the Long Beach Clean Team and formed the Beautification Committee.
- ✓ Expanded trolley service around the City and advocating for improved County bus service.

## Expanded Community Development

- ✓ Expanded Community Development Programming, including ADA Accessibility.
- ✓ Established Arts Council.
- ✓ Diversity and Inclusiveness – Language Access Policy, Transgender Policy, outreach to Immigrant population.

### Progress to Date



### Looking Forward

- Develop and implement parking solutions, to alleviate current limitations.
- Facilitate workforce development opportunities, investing in City staff members.
- Continued enhancement of programs and services, including substance abuse counseling.



# ECONOMIC DEVELOPMENT

Growing the tax base to alleviate the burden on Long Beach tax payers.

## Established Economic Development Dept.

- ✓ Community-driven Draft Comprehensive Plan and Local Waterfront Revitalization Program.
- ✓ Leveraged more than \$4.3M in grants; the department has leveraged its initial founding grant amount 5.8 times over.
- ✓ Launched a \$700,000 marketing campaign.

## Improved Economic Indicators

- ✓ Aided in the improvement of the economic climate including real estate values, sales tax revenue, and unemployment rate.
- ✓ Executed a downtown streetscaping pilot program.

## Small Business Assistance

- ✓ Hosted multiple small business mentoring and informational sessions.
- ✓ Passed a resolution for Minority- and Women-owned Business Enterprises (MWBE).
- ✓ City-produced business directories and Long Beach Local View web series.

### Progress to Date



### Looking Forward

- Moving forward with the Draft Comprehensive Plan, update zoning code with community input and provisions to maintain the character of our community and prevent overdevelopment.
- Continuing marketing campaigns to promote Long Beach and support local businesses.



# SUSTAINABILITY

Protecting the City's natural resources and water quality, increasing resilient infrastructure, and implementing and encouraging sustainable asset management.

## Protecting our Environment

- ✓ Enacted the City-wide Single Stream Recycling Program increasing recycling collection by 28% from 2014 to 2016.
- ✓ Passed Nassau County's first Carryout Bag Ordinance.
- ✓ Earned the designation of Tree City - Replaced 2,700 storm-damaged trees.

## Enhancing Clean Energy

- ✓ Earned the Clean Energy Communities designation.
- ✓ Installed energy-efficient LED lighting throughout the City.
- ✓ Passed free, fast-track solar permit resolution.
- ✓ Led the campaign against Port Ambrose.

## Protecting our Water Quality

- ✓ Protected our sole freshwater source, the Lloyd Aquifer; advocating for State funded study.
- ✓ Reduced the volume of effluent entering the wastewater by 26%.
- ✓ Partnered with Brady Risk Environmental to offer private sewer lateral protection.

### Progress to Date



### Looking Forward

- Planning sustainability project for the \$100,000 Clean Energy Communities grant.
- Tracking energy usage of municipal buildings to determine potential efficiency and/or renewable energy projects.
- Continuing to monitor the Lloyd Aquifer.



# SMART GOVERNMENT

Governing responsibly and protecting public resources; Innovative and Technological advances to improve services.

## Improved Communications

- ✓ Provided residents with comprehensive communications.
- ✓ Live streamed City Council meetings for the first time.
- ✓ Launched the Long Beach Response mobile app.
- ✓ Championed the Long Beach Listens program.

## Enhanced Policy Actions

- ✓ Required the City Manager to reside in Long Beach within 90 days of appointment.
- ✓ Regularly produced policy overview documents and presentations for City Council meetings.

## Increased Transparency

- ✓ Initiated the Long Beach STAT program to measure and report our performance.
- ✓ Scored among the top Long Island municipalities for transparency and openness in the Long Island Press Club's Open Records Report Card Audit.

### Progress to Date



### Looking Forward

- Reorganizing departments to find efficiencies.
- Continuing to make financial, budget, and performance metrics more accessible to residents.
- Gathering resident feedback regarding several issues, including community policing, bicycle safety and infrastructure.



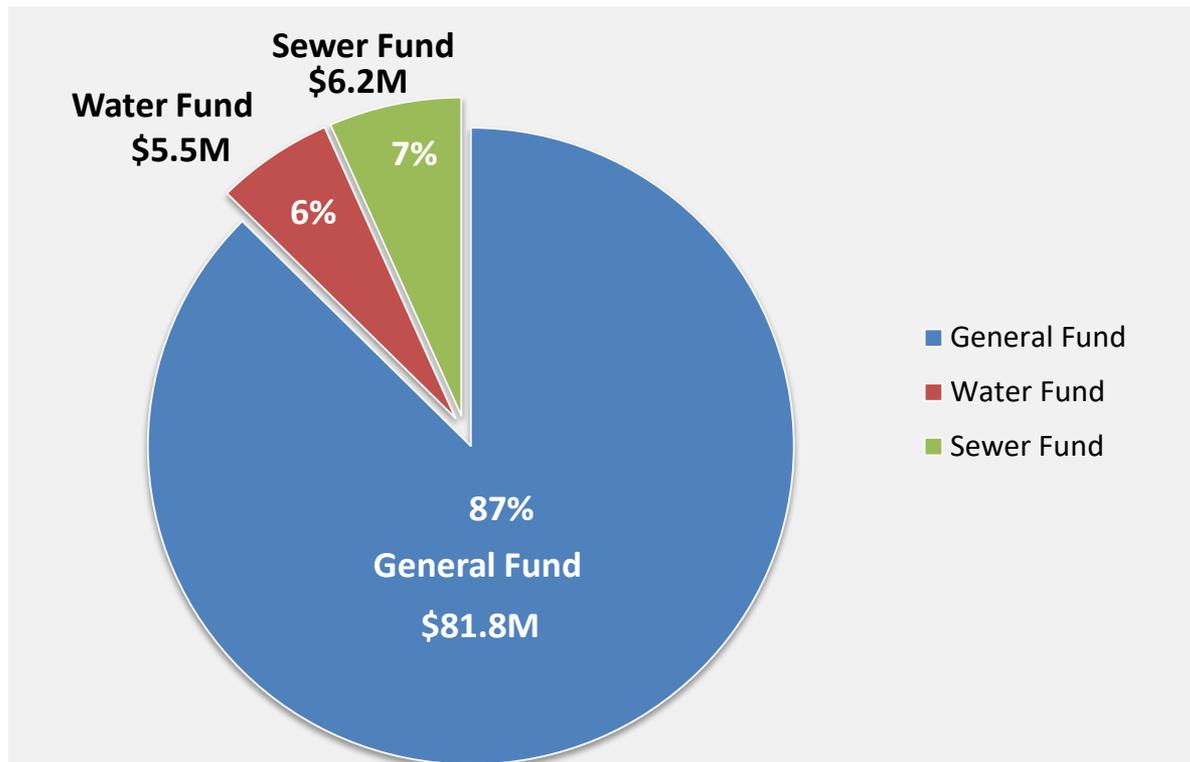
Proposed

# Operating Budget

in detail

# Proposed Operating Budget Overview

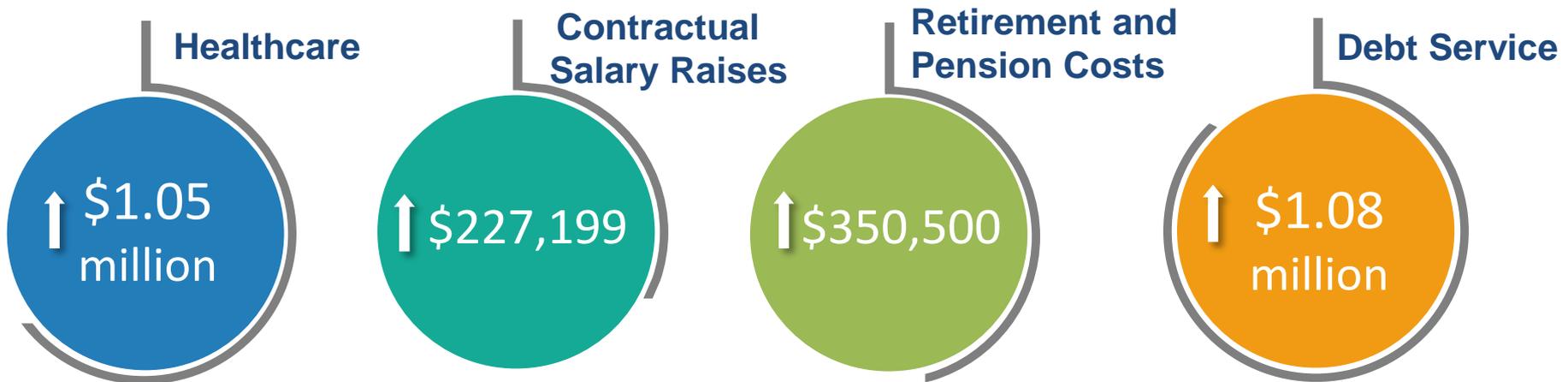
The proposed operating budget for fiscal year 2017-18 totals \$93,546,812.



# Fiscal Challenges facing Municipalities:

Like many other municipalities across the country, the City faces significant hurdles every single year. Increases in fixed expenditures have easily outpaced revenue increases. This trend continues to plague local governments, and the City is not immune to its effects.

**This proposed budget reflects the following inevitable and unavoidable increases:**



# Making the SMART Choices --> Powering our Recovery

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**Cost-to-Continue Budget:** The City has combed the budget line-by-line and reduced the requested budgets by \$2.1 million.



**Merging our Fiscal & Physical Recoveries:** This proposed budget includes a transfer of \$1.125 million from the FEMA fund to the General Fund. The recovery has generated \$7.2 million to date and has been used to offset the cost of operations and reduce the burden on Long Beach taxpayers.



**CSEA Contract:** An eight-year agreement with our largest bargaining unit, CSEA, providing stability in the City's largest cost structure.

- ✓ \$411,433 in cost savings in contractual salary raises for fiscal year 2017-18.
- ✓ \$29,000 cost savings from contributions to medical insurance.



**Management Health Care Contribution:** Management continues to contribute 10% to the cost of their medical insurance. This policy will yield approximately \$48,000 in savings.

# Making the SMART Choices --> Powering our Recovery

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**Bond Rating Improvements:** \$200,000 savings in lower interest costs.



**Organizational Re-alignment/Retirement Savings:** The City continues to realign its workforce through attrition. Since taking office in 2012, we have reduced the workforce by 40 full-time positions, resulting in annual cost savings of more than \$2 million. During calendar year 2016, 13 employees retired through the City's incentive program yielding a savings of \$260,000 in FY 2017-18.



**Diversify & Increase Revenues:** Departmental revenues increase as the City continues to ensure the cost of providing services and the fees associated with those services are aligned. Grant funding from various agencies continues to diversify our revenue base at \$2.3 million for FY 2017-18.



**Fund Balance Appropriations:** This administration's surplus continues to pay for the previous administration's deficit. Appropriations of \$637,545 from the general fund and \$83,253 from the water fund to cover the FY 2017-18 annual debt service associated with the deficit financing.

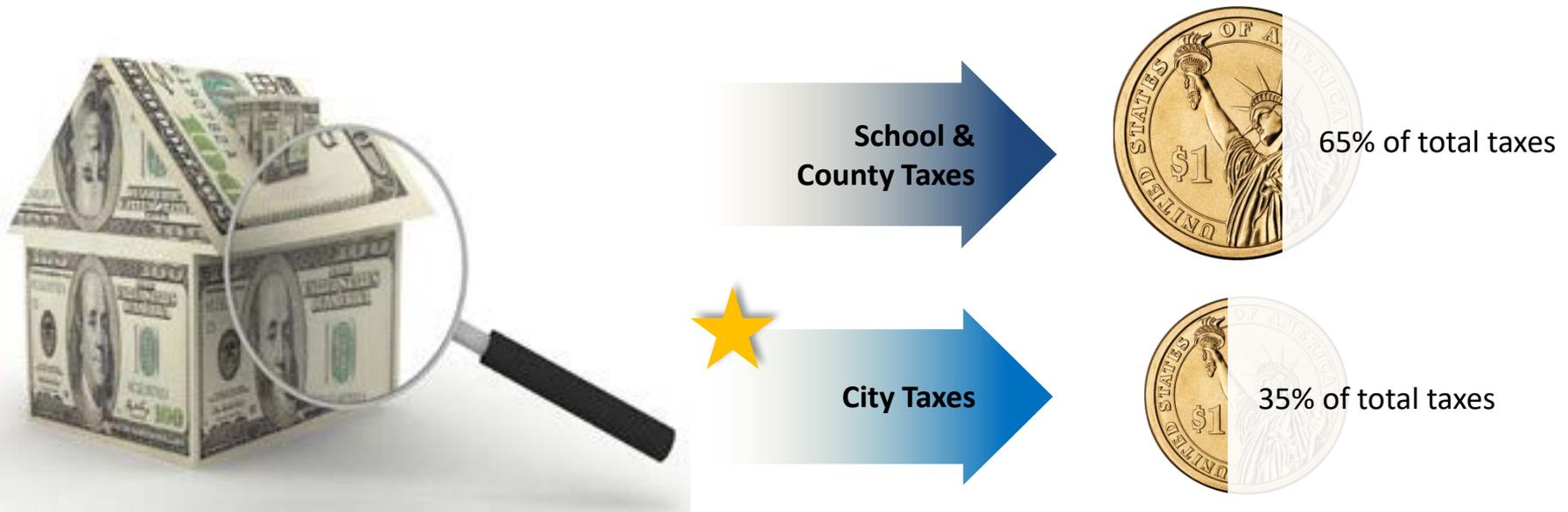
## City Property Taxes: *Remaining within the tax cap*

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These smart choices have allowed the City to lower the proposed tax burden and remain within the tax cap of 1.26%, ultimately resulting in the stabilization of taxes.

# A Closer Look – Residential Tax Burden

*For every tax dollar collected...*



The average residential household City tax increase for FY 2017-18 is \$56.00 per year, less than \$5 per month.

# How your Tax dollars are spent

25.71%

Employee Benefits-\$21.0M

20.76%

Public Safety - \$17.0M

16.25%

General Gov't Support- \$13.3M

8.65%

Recreation \$7.1M

7.35%

Other \* \$6.0M



\*Other – Interfund Risk Retention: \$3.0M (3.69%); Transportation: \$2.2M (2.71%); Economic Opportunity & Education: \$781,435 (0.95%).

9.93%

Home & Community Svcs -\$8.2M

11.36%

Debt Service - \$9.2M



## Thank you

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Thank you to our small, but best in class, budget team who work tirelessly each year to prepare the City's budget.



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