

2021- 2022 PROPOSED BUDGET OVERVIEW- UPDATE

- Presented to the City of Long Beach

- City Council May 4, 2021

City of Long Beach City Council - Proposed Budget Fiscal 2022
Overview 5/4/2021

Fiscal Year 2021 – 2022 Proposed Budget by Fund

	FY 2019-2020	FY 2020-2021	FY 2021-2022		
	Adopted Budget	Adopted Budget	Proposed Budget	\$ Change	% Change
General Fund	85,678,257	83,216,478	93,644,736	10,428,258	12.53%
Water Fund	5,510,685	5,226,687	5,463,150	236,463	4.52%
Sewer Fund	6,428,033	6,296,577	6,593,982	297,405	4.72%
<u>Total Operating Funds</u>	<u>\$97,616,975</u>	<u>\$94,739,742</u>	<u>\$105,701,868</u>	<u>\$10,962,126</u>	<u>11.57%</u>
Debt Service Fund	\$12,913,796	\$13,547,350	\$17,008,866	\$3,461,516	25.55%
Risk Retention Fund	3,705,000	3,735,000	5,022,621	1,287,621	34.47%
<u>Total Internal Service Fund</u>	<u>\$16,618,796</u>	<u>\$17,282,350</u>	<u>\$22,031,487</u>	<u>\$4,749,137</u>	<u>27.48%</u>

General Fund

- **Expenses - Total increase- \$10.4M**

- Repayment of the \$4.25 million principal plus \$63.8 thousand interest Deficiency Note issued in May 2020, to mitigate COVID related revenue short falls;
- Social Security \$2.0 million over 2021 budget, includes 50% of FICA deferred in 2020 and 2021 as per CARES act;
- Contingency increased by \$760K - \$500K is due to increase in termination salaries – see next page; \$260 – to budget for increases in PT salaries;
- Increase in Retirement Costs: NYSRS - \$400K and PFRS - \$650K;

General Fund

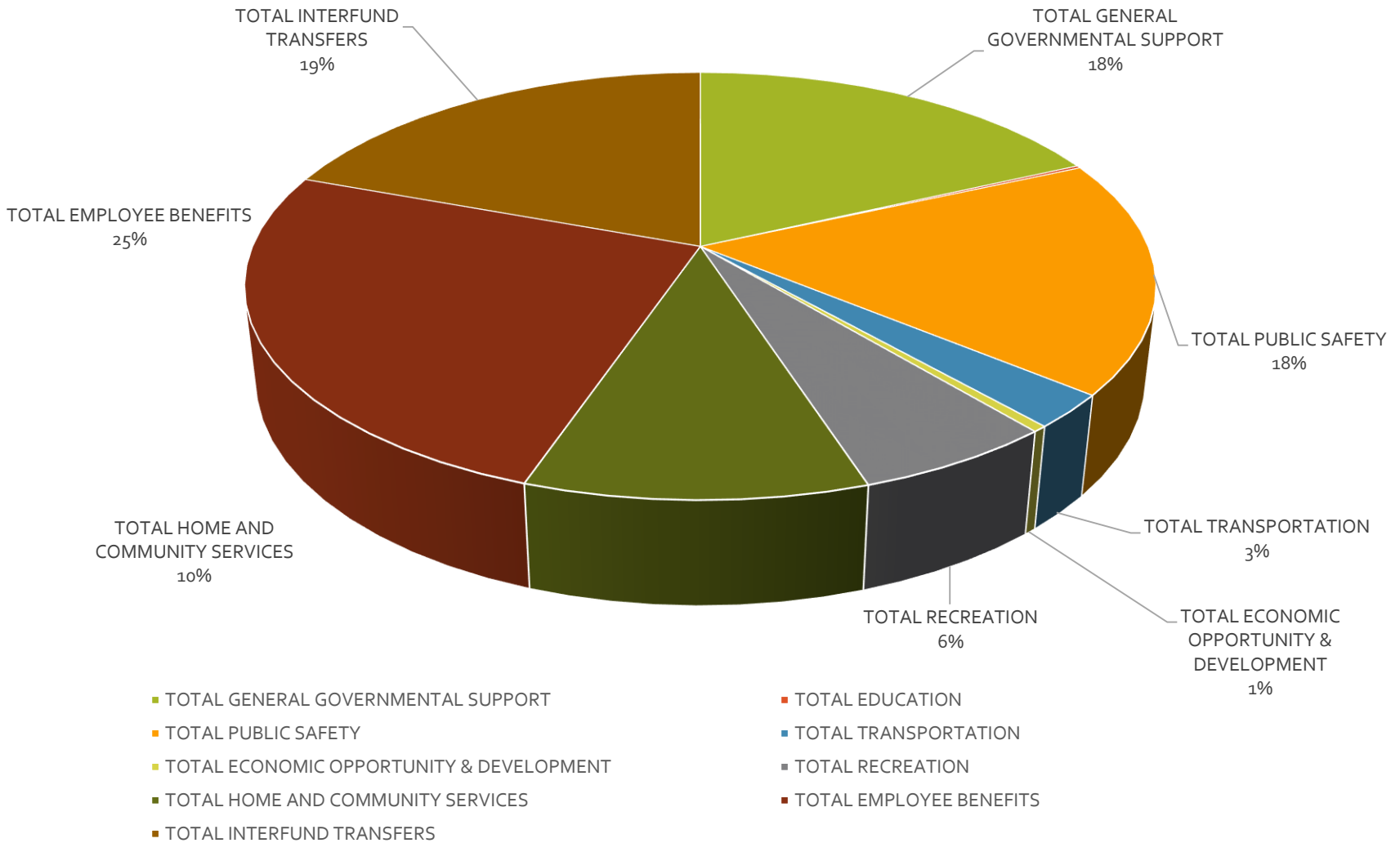
- **Expenses - Total increase- \$10.4M – continued**
 - Increase in Unallocated Insurance – \$274K;
 - Increase in Recreation – \$451K – 2021 was lower than historical actuals due to COVID;
 - Increase in Lifeguards Department budget \$285K – to bring in line with historical actuals;
 - Additional budgeted vacancies for new hires - \$680K (IT director; Contract management and Procurement Director; Deputy City Manager; HR Director).

*There are additional less material increases in expenses that are partially mitigated by decreases in other categories.

City of Long Beach Termination Liability - Current retirees and their corresponding accrued balances to be paid out as of 6.30.2021 and Potential retirements based on Union Projections

Employee ID	Original Bargaining Unit	Original Payout Amount	To be paid		Allocation		
				FY2022	General	Water	Sewer
#1502	PBA	\$ 326,631.60		25,089.94			
#8582	CSEA	\$ 69,385.77		34,697.65			
#4213	UFA	\$ 281,478.38		58,793.70			
#293	CSEA	\$ 161,801.57		52,770.08			
99032	COA	\$ 553,312.67		64,512.38		52,770.08	
#892	COA	\$ 481,774.46		99,085.31			
#4760	PBA	\$ 503,986.05		100,797.03			
65203	UFA	\$ 448,703.06		149,567.69			
#5257	PBA	\$ 250,649.90		50,124.48			
#3375	UFA	\$ 373,044.80		67,611.66			
#7275	PBA	\$ 278,416.64		55,675.27			
#3804	PBA	\$ 283,383.12		56,678.77			
99388	PBA	\$ 669,389.60		202,130.29			
#4209	UFA	\$ 354,413.25		70,882.86			
#2917	PBA	\$ 586,759.11		148,802.78			
99084	PBA	\$ 540,649.66		175,851.73			
72498	PBA	\$ 391,884.55		78,384.05			
#3331	PBA	\$ 417,958.40		83,587.70			
99243	PBA	\$ 441,684.58		88,333.11			
#889	PBA	\$ 419,807.84		83,967.29			
#5254	PBA	\$ 420,824.30		84,173.91			
#2918	PBA	\$ 428,914.74		85,779.49			
#99083	COA	\$ 600,458.47		200,152.50			
#99082	PBA	\$ 679,330.54		135,863.06			
Total		\$ 9,964,643.06	2,253,312.73	2,200,542.66	52,770.08	-	
Total from potential CSEA Retirements				422,047.31		103,461.78	
Total from potential UFA Retirements				100,000.00			
Total from potential PBA / COA Retirements				100,000.00			
Total including potential retirements				2,822,589.97	52,770.08	103,461.78	
Including FICA				3,038,518.10	56,806.99	111,376.61	

2021 - 2022 PROPOSED BUDGET - HOW YOUR TAX DOLLAR IS SPENT



General Fund Revenues

- Revenue projections were based on prior years historical actual amounts, as adjusted by relevant assumptions.
- **Revenue Increases:**
 - Beach Park - – \$610K – might further increase if we get better guarantees on 100% beach capacity (in that case property taxes will be increased by lesser percentage);
 - NYS Sales and Use Tax – projected increase of \$309K;
 - Nassau County Sales Tax – projected increase \$226K;
 - State Aid Mortgage Tax – projected increase \$249K;
 - Transportation Related Grants – Projected Increase \$800K;
 - Point Look Out Bus Loop reimbursement – projected increase \$175K;

General Fund Revenues - continued

- **Bond Anticipation Notes will be issued to cover termination pay – increase from FY2021 \$530K**
- **Fund Balance Appropriations:** \$4.671million - \$3.671 million in Stimulus plus \$1 mil in Fund Balance Appropriation
- **Remaining Budgetary Gap will have to be addressed via increase in Property Taxes:** Current Proposed Budget assumes total Levy of \$50.5 million compared to \$46.6 million for fiscal 2021

Water Fund

- Revenue and Expenses up \$236k
 - Revenue
 - Water billings- \$229k (4% rate increase)
 - Expenses
 - Personnel costs increased due reallocation of salaries traditionally charged to Department of Public Works – General Fund

Sewer Fund

- Revenue and Expenses increasing \$297k
 - Revenue
 - Sewer billings- \$316K (based on 4% rate increase plus in water rates)
 - Expenses
 - Personnel costs increased due reallocation of salaries traditionally charged to Department of Public Works – General Fund