

Interdepartmental Fund Transfers

April 3, 2025

Purpose & Process

- Overview of interdepartmental fund transfers
- Why they are necessary for operations
- Explanation of transfer frequency

What Are Interdepartmental Fund Transfers?

Definition:

- Movement of funds between city departments
- Ensures accurate cost allocation and financial transparency

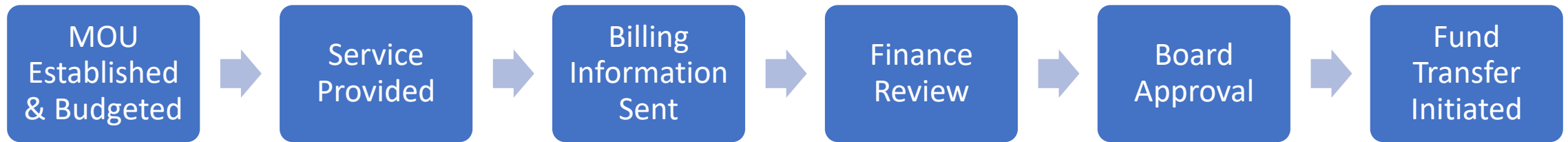
Examples:

- Commercial Services at City Hall
- Legal services
- General city overhead

Why Are Fund Transfers Necessary?

- **Budget Accountability:** Ensures departments pay for services utilized per agreed-upon MOU or on an as-needed basis
- **Transparency:** Clearly tracks city spending and interdepartmental charges
- **Cost Recovery:** Departments that provide services recover their expenses

How the Process Works



Transfer Frequency

Why Transfers Vary:

- Some services generate monthly charges
- Other costs are better handled quarterly to reduce administrative workload
- Quarterly transfers allow time for adjustments, corrections, and proper fund allocations

Scenario Examples:

- Monthly: Regular, predictable expenses
- Quarterly: Costs that fluctuate or require consolidation

Summary

- Interdepartmental fund transfers ensure fair cost allocation
- Timing depends on the nature of the expense and administrative efficiency
- The City and Long Beach Public Utilities Department aim for transparency, accuracy, and financial responsibility



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