



LAURA DOUD

PRESS RELEASE

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For Immediate Release

Long Beach City Auditor Laura Doud Finds \$9.2 Million in One-Time Funds for Environmental Projects *These Funds Can Be Spent Immediately on Projects That Would Otherwise Use the City's General Fund or Other Funds*

Long Beach, CA – Long Beach City Auditor Laura Doud today released the [Construction & Demolition Recycling Program Performance Audit](#). The City of Long Beach (City) created the Construction & Demolition (C&D) Recycling Program within the Community Development Department (Community Development) in 2007 to meet state mandated waste diversion goals and promote sustainability. The program's objective is to encourage permit applicants to recycle C&D building materials through a refundable performance deposit, which is either refunded to the applicant for meeting program requirements or forfeited to the City. The audit evaluated the City's C&D Recycling Program operations and reviewed the status of deposits in the C&D account.

The audit identified a large amount of money in the C&D account that was the result of accumulated forfeited deposits. After performing a reconciliation of the financial and permit systems for the C&D account, which had not been done since program inception, the audit found \$9.2 million in forfeited deposit revenue. In accordance with the City's C&D Ordinance, this revenue now belongs to the City and can be spent on environmental efforts.

The \$9.2 million in one-time funds can be spent immediately on environmental sustainability projects including park and recreational space improvements and other ecological enhancements that would otherwise use the City's General Fund or other funds.

"This audit emphasizes the importance of our Office's independence in conducting objective reviews of City operations in which we identified funds sitting idle," said City Auditor Laura Doud. "The City needs to ensure all City accounts are being monitored and funds are being used appropriately. The \$9.2 million in one-time funds that we found will be instrumental in supporting the City's upcoming environmental sustainability projects, thereby enhancing the well-being of residents and protecting our wildlife."

Environmental projects that have used past C&D forfeited deposit revenue include Wrigley Greenbelt Park, the Wardlow Land Acquisition, and the Long Beach Climate Action and Adaptation Plan.

The audit also recommended that Community Development reconcile the C&D account at least annually to accurately reflect potential forfeited deposits for active C&D projects and update the C&D Ordinance to ensure alignment with the program timelines and processes.

The Construction & Demolition Recycling Program Performance Audit can be viewed [here](#) and the Fact Sheet can be viewed [here](#).

About the Long Beach City Auditor's Office

The Long Beach City Auditor's Office's mission is to make Long Beach better through independent audits and fraud investigations. The Office works to provide assurance City funds are spent as intended, promote transparency and accountability of City operations, and prevent fraud, waste and abuse of City resources. For more information visit CityAuditorLauraDoud.com and connect with the Office @LBCityAuditor on [Facebook](#), [Instagram](#) and [X](#). Sign up to receive email [updates](#) and download the MyAuditor App at the [App Store](#) or [Google Play](#).

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