

Council counting on voters

East Palo Alto hoping
for supplemental tax OK

By Michael Shapiro

Times Tribune staff

East Palo Alto's \$5.4 million budget, which anticipates funds from a supplemental tax being considered by the city's voters today, was unveiled at Monday's City Council meeting.

The budget, for the 1989-90 fiscal year, assumes passage of Measure A, expected to bring the city at least \$900,000 in revenue.

Of that money \$500,000 is earmarked for city programs. The remaining \$400,000 would be used to repay the city's debts.

The budget, a 6 percent increase over the previous year, contains no drastic cuts in personnel or city services.

However, if Measure A fails, the city would be forced to make crippling cuts to all departments, including police, said City Manager Stan Hall.

"Not all of the city's goals for this fiscal year are attainable ... without some new form of revenue infusion," Hall said in his budget message.

The 1989-90 budget maintains the present staffing levels for the rent stabilization, community services and police departments.

Public works would add a position, while community development would lose one.

Councilman Warnell Coats asked the city's finance staff for specific financial projections for the concluding budget year so he could make a clearer decision for the upcoming cycle.

"I need some official documents before I can move into the next budget appropriation or else I'm shooting in the dark again," Coats said.

In the budget message, Hall noted the city's previous accounting procedures have been poor.

"The city had not developed a method to accurately estimate its annual revenues, which resulted in an inflated 1987-88 budget," Hall said.

Additionally, the city did not have a cash management system to forecast its cash position, so it could not anticipate short-term financing needs or maximize its earnings when excess funds could have been invested, he said.

The city now has a cash management system, Hall said.

The council took no action on the budget Monday night.

Special City Council meetings to consider the budget have been scheduled for Wednesday and Thursday nights at 6 p.m.

PTT
6/20/89