

CITY OF EAST PALO ALTO

East Palo Alto, California



ADOPTED PROGRAM BUDGET

FISCAL YEAR 1990-1991

CITY OF EAST PALO ALTO

**Adopted Program Budget
Fiscal Year 1990-1991**

CITY COUNCIL

William Vines, Mayor

John B. Bostic, Vice-Mayor

Warnell Coats, Member

Pat Johnson, Member

Barbara A. Mouton, Member

**Submitted by:
Stanley H. Hall
City Manager**

ADOPTED PROGRAM BUDGET FISCAL YEAR 1990-1991

TABLE OF CONTENTS

Budget Message.....	i
Number of Employees by Department.....	ii
1990-1991 Total Funds Available.....	iii
Program Budget Expenditures By Category.....	iv

FINANCIAL SUMMARIES

Summary of General and Designated Municipal Revenues and Expenditures by Major Category.....	1
Distribution of Revenues.....	2
Expenditures by Category.....	4
Expenditures by Program.....	6

DEPARTMENTAL PROGRAMS

City Council	
Legislative Operations.....	8
City Administration	
Summary.....	10
City Clerk.....	11
City Manager.....	13
Management, Budget & Strategic Planning.....	16
Non-Departmental Cost Center.....	19
Clerical Services.....	21
Personnel.....	23
Financial Operations.....	25
Legal Services	
Summary.....	27
Legal Counsel.....	28
Litigations.....	30

ADOPTED PROGRAM BUDGET-FISCAL YEAR 1990-1991

TABLE OF CONTENTS CONTINUED:

Community Development

Summary.....	32
Administration.....	33
Planning.....	35
Building Safety.....	37
Code Enforcement.....	40

Police Department

Summary.....	42
Administration and Support Services.....	43
Patrol.....	45
Investigative Services.....	47
Traffic.....	49

Public Works

Summary.....	51
Administration and Engineering.....	52
Streets and Drain.....	55
Street Cleaning.....	57
Waste Disposal.....	59
Building Maintenance.....	61
Parks and Landscaping.....	63
City Services.....	65
Emergency Services.....	67
Traffic.....	69

Community Services

Summary.....	72
Administration	73
Cultural Affairs and Human Services.....	76
Recreation.....	78

Non-Departmental Cost Center.....	81
-----------------------------------	----

Rent Stabilization

Summary.....	83
Administration and Board Support	84
Counseling and Public Information.....	86
Ordinance Enforcement.....	88

Capital Improvement.....	90
--------------------------	----

I pointed out that the City is faced with several options: resigning ourselves to what appears to be "a dramatic and seemingly long-term reality of the City's inability to provide an adequate level of services to the community, or rise to the challenge of finding acceptable alternatives." I said then, and I continue to express my hope, that East Palo Alto will choose the latter. Staff has recommended and explained the authorization necessary to increase some fees and charges; and we have continued to identify and assess new and creative ways to provide services and increase revenues.

I pointed out in my previous budget message to you that East Palo Alto must find alternatives which are under the City's direct control if it is to achieve and maintain fiscal stability. In order to maintain a viable pathway to fiscal health, I requested the City Council to establish a citizens' task force (presumably, a cross-section of the electorate) that would work with the City staff in developing a priority action plan for the creation of new revenue sources and enhancements for the City. This was acted upon and approved by the City Council. The strategy provided that an initiative be effected among other broad proposals, including the implementation of the Utility User's Tax and an increase in Business License Tax. In proceeding with the implementation of the Public Storage Occupancy Tax, legal counsel should be directed to clear up any legal problems associated with its implementation. It was and continues to be staff's contention that these revenue sources are the best source to balance our cyclical time periods resulting from property tax revenue sources. We have gone on record that we will not consider looking at a combination of a Utility Users' Tax and a tax over-ride to effectively shore up the City's ability to provide immediate improvements to its service capability over and above what currently exists. Yet the City Council has reached consensus in two areas that require an immediate decision regarding new revenue sources:

1. Salary Increases to Employees
2. Increase in Staff for the Police

The City Council has indicated that its priorities are:

1. Police Services
2. Economic Development and Services; and,
3. Financial Services

Public Works, Administration and Engineering: Dramatically upgraded subdivision processing by acquiring agreement bond, insurance certificate, acceptance forms, etc. and instituting new checking procedures. Martin Luther King Park, traffic signal upgrading on University, OTS Traffic Study and street resurfacing program are all in process. Maintained a City-wide pothole program as well as a planned street sweeping schedule. Installed 30 \$1,000 Fine, No Dumping" signs at strategic locations. Performed mowing, watering, weeding, sprinkler and equipment repairs as well as cleanup at all parks. A Legislative Route (109) has been established and a study has been commended for the southern connection. The Basic Traffic Study was completed. The Fuel Efficient Traffic Signal Improvement is under contract. "Keep Clear" legends and lane lines have been painted on University Avenue, and will be repeated in the next few months.

Administration:

- Conducted three staff retreats focusing on problem solving, team building, communication efficiency, and productivity. Establish staff goals and objectives.
- Retained Management Consultant to review overall management of City, and make recommendations for improvements and implementation.
- Retained Human Resources Consultant to review total personnel make up of City and conditions that exist and Human Resources deployment, make recommendations for improvements and implementation.

SUMMARY OF 1989-90 FINANCIAL POSITION

The total amount of budgeted expenditures for 1990-91 is \$5,801,981. Of this amount, \$4,944,437 is to fund departmental and program operations, and \$857,544 is available for capital improvement projects. We enter this Fiscal Year with estimated outstanding liabilities of \$1,475,958 which is included in the F/Y '89-90 Program & Expenditure Plan.

A detailed analysis of both unrestricted and restricted funds, revenues and expenditures appears below.

UNRESTRICTED FUNDS

It is estimated that the City will have \$3,677,742 in unrestricted funds available for 1990-91.

It is anticipated that revenues will increase, albeit slowly, through 1990-1991 above the low levels that have stagnated the City's economic growth. This can be achieved through the use of new revenue production instruments which are available to the City.

RESTRICTED FUNDS

It is estimated that the City will receive \$2,109,494 in restricted revenue this fiscal year. The City will receive \$1,979,494 from federal, state, private and county sources. The remaining restricted funds estimated at \$130,000 in 1990-1991 will be obtained from Rent Stabilization fees. Historically, the City of East Palo Alto has received very little in the way of federal and state grants. The success of increased efforts to obtain grant and foundation funding for the City will continue. City staff will keep the Council fully apprised as new information is received.

CONCLUSION

The budget is the framework within which the City carries out all of its activities and provides services to the public. Indeed I must again point out that the budget process determines what levels of services are to be provided, in what manner, and to whom. In a municipality that has experienced minuscule growth in revenues since incorporation, this is not an enviable task. Again I point out that if the City were a municipality with an abundant supply of revenue, the budget process would be a pleasant one: physical enhancement of improvements and enhancement of City life could be undertaken; activities that provide recreational and social activities for youths and senior citizens could be implemented; increased levels of police funding are real possibilities; parks and playgrounds could be acquired, expanded and improved in physical appearance.

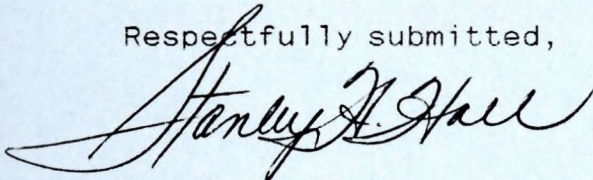
In times of austerity, however, the budget process can be, and often is, less than exciting. The programs which, in better times, could be fully funded or expanded must by necessity be reduced. The reality is that not all of the City's goals for this fiscal year are attainable at this time without some new form of revenue infusion. It is just of absolute necessity that Policy Action be taken immediately to increase revenues. Staff has attempted to present to you a budget that speaks to the needs of the citizens of East Palo Alto as reflected in your many policy decisions. We were attentive to your expressions of concern and priorities, and we have taken into consideration the concerns of the many citizens who have appeared before you seeking improvements in the appearance of the City and the maintenance of an adequate level of police services as well as cultural and recreational programs.

While we have made recommendations which we feel satisfy many of the community's needs and wishes, the final decisions is yours as the elected representatives of the City.

The City will continue to work in providing viable levels of service in an environment of uncertain and stagnated resources. Hopefully, the courage, fortitude and creativity that sustained the City during its fight for incorporation and through the subsequent years will continue to sustain us in the months and years ahead.

The budget recommendations are based on careful review and detailed analysis. We feel that the budgeted level of expenditures is sufficient to satisfy many of the community's service needs. The final decision on these recommendations rest with you as elected representatives of the City of East Palo Alto.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Stanley H. Hall".

Stanley H. Hall
City Manager

SHH:sw
L15