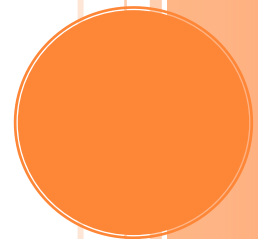




CITY OF EAST PALO ALTO OPERATING BUDGET

FISCAL YEAR 2019- 2020



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FY 2019-2020 Budget

Mayor



Lisa Gauthier

Vice Mayor



Regina Wallace-Jones

Council Members



Larry Moody



Carlos Romero



Rubén Abrica

MISSION STATEMENT

The City of East Palo Alto provides responsive, respectful and efficient public services to enhance the quality of life and safety for its multi-cultural community.

Executive Staff

Executive Staff

Jaime M. Fontes, City Manager
City Manager's Office

Sean Charpentier, Assistant City Manager
City Manager's Office

Rafael E. Alvarado Jr., City Attorney
City Attorney's Office

Maria Buell, City Clerk
City Clerk's Office

Marie McKenzie, Administrative Services Director
Administrative Services Department

Brenda Olwin, Finance Director
Finance Department

Patrick Heisinger, Community and Economics Director
Community and Economic Development

Kamal Fallaha, Public Works Director
Public Works

Albert Pardini, Police Chief
Police Department

Budget Team

Brenda Olwin, Finance Director
Sean Charpentier, Assistant City Manager
Agnes Pabis, Financial Services Manager
Ana Maria Torres, Management Analyst

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City Manager's FY 2019-20 Budget Message

May 21, 2019

Updated June 18, 2019

To the Honorable Mayor and City Council:

We are pleased to present the City Manager's FY 2019-20 Budget Message in conjunction with the presentation of the FY 2019-20 Operating Budget. This message will be updated upon final adoption of the operating and capital budgets for FY 2019-20.

SUMMARY OVERVIEW

Silicon Valley and the U.S. economy continue in a positive trend driven by positive economic growth. The labor market remains very strong. In March 2019, the national unemployment rate was 3.8%, the State of California was 4.3%, San Mateo County was 2.4%, and East Palo Alto was 2.6%.¹ The very low unemployment rate has placed a lot of upward pressure on salaries and it is challenging for public and private sector companies to find and hire qualified candidates.

In addition to the labor challenges, housing and traffic are major factors impacting Silicon Valley's rate of growth. Housing costs in the Bay Area have increased considerably mainly due to a protracted jobs-housing imbalance. Between 2010 and 2014, San Mateo County gained 54,600 jobs but built only 2,100 new homes. As a result, only 14% of San Mateo County households can afford the median-price home in the county, and a majority of the County's workers (63%) live outside the county, creating traffic congestion and increasingly longer commutes.² The office market in Silicon Valley has seen 21 consecutive quarters of positive net absorption and there is approximately 8 million square feet of office development under construction in Santa Clara County and San Mateo County.³ The benefits of economic growth are plentiful jobs and rising salaries. The challenges of such growth lead to relentless upward pressure on housing prices and extreme traffic congestion.

Despite the challenges the current tight labor market presents, and with a very low city staffing to service ratio, the City continues to make significant progress in advancing the City Council's priorities and implementing projects and programs that strengthen the foundation and fiscal status of the City, while improving the quality of life, and providing affordable housing. City management's organizational focus in FY 2019-20 will emphasize policies and strategy aimed at retaining the City's current employee base, rather than expanding current staffing levels. This philosophy emphasizes the value of leveraging the current employee base through better job satisfaction and stability, rather than continuing to hire new or less-experienced employees.

¹ State of California Employment Development Department, Monthly Labor Force Data, March 2019

² Home for All, San Mateo County Report. <http://homeforallsmc.com/>

³ Cushman Wakefield San Mateo and Silicon Valley Market Beat

During the past year, the City made great strides in meeting its objectives. A partial list of the extraordinary accomplishments in this fiscal year is below.

1. Groundbreaking for EPACENTER 25,000 sqft performing arts center
2. Removal of the Water Moratorium
3. Adoption of Water Capacity Fees
4. Within 4 months of the end of the water moratorium, released two public draft project EIRs and one Mitigated Negative Declaration (The Primary School, Sobrato Phase II, and Light Tree, respectively).
5. Voter adoption of Measure HH: Affordable Housing and Jobs Opportunity
6. Completion of the Trash Capture Device and lifting of the Regional Water Quality Board Citation
7. Completion of Phases IV and V Cooley Landing Project
8. Completion of Gloria Way Well Rehabilitation and Treatment project
9. Adoption of the City's Development Code (first original code)
10. Completion of the City's first ADA Transition Plan
11. Adoption of the City's first Affordable Housing Strategy
12. Selection of a developer for 120+ affordable housing units on 965 Weeks
13. 50-year extension of the affordability requirement for Peninsula Park affordable project
14. Approving entitlements for Light Tree (90 net new affordable units), a \$20 million AHSC application, and a \$4 million loan from Catalyst funds
15. Approved RV Safe Parking Program, overnight parking prohibition for oversize vehicles, and deferred enforcement program. Completed capital improvements and opened RV Safe Parking program on May 1, 2019
16. Initiate Mobility Study, and the update of the City's Inclusionary Housing Policy, and the City's Facility Master Plan
17. Due diligence analysis for transition from AWE to Veolia
18. Conducted rigorous and transparent policy analysis and discussion on the potential use of tasers and body-worn cameras for the Police Dept., and proceeded with the purchasing of body-worn cameras
19. Completed design of Bay Road and applied for \$5 million EDA grant
20. Adoption of the City's first comprehensive Development Impact Fees
21. Successfully applied for \$22 million OES/FEMA grant for Safer Bay Levee
22. Initiated Clean City Program and had first Citywide Litter Clean Up day
23. Recruited a new City Manager
24. Approved a \$1.6m street improvement project
25. Completion of Highway 101 Pedestrian Overcrossing

These accomplishments reflect a significant effort by the entire City organization. The City has delivered on one of the largest Capital Improvement Programs in its history.

CHALLENGES AND OPPORTUNITIES

The opportunities facing the City include a robust local economy, an excellent location in Silicon Valley with 60 acres of vacant or underutilized land in the Ravenswood Business District, an experienced City Council, and an engaged and proactive community.

Together with these incredible opportunities; community, organizational, and fiscal challenges remain.

The new community challenges relate to mitigating the negative impacts of the regional growth, including traffic, affordable housing and displacement; and how to continue to improve the quality of life for East Palo Alto residents.

The organizational challenges include having fewer staff than comparable cities; most City services are provided from leased facilities, in particular the Police Station; the lack of modern administrative agenda management and financial management systems; lack of revenue diversification and correspondingly heavy reliance on the General Fund to fund City services; ongoing retention and recruitment challenges; providing competitive salary and benefit packages for employees; addressing increasing demands for expanded municipal services; and unfunded CALPERS liabilities.

The fiscal revenue challenges include the lack of material increases in General Fund revenue for the near to medium term future. Property tax is predicted to have minimal increases and retail sales tax growth is generally predicted to be at or below inflation. There are few short term revenue generating projects that will significantly add general fund revenue through property taxes, sales taxes, and business licenses. At some point there likely will be a recession. The timing of recessions is not possible to predict in a reliable manner. However, it is an observable fact that recessions are inevitable and that the current expansion has continued significantly longer than other economic expansions.

There are two commercial projects totaling approximately 1.6 million square feet of office (Sobrato Phase II at 200,000 sqft and Bay Road 2020 at 1.4 million sqft) that the City will review CEQA and entitlement documents in the next 9 months. If approved, these projects will help to rebalance the jobs housing balance and general fund revenue. However, the time frame for these to begin construction is uncertain due to uncertainty about entitlements, permitting, and investment climate.

The City will continue making meaningful strides toward employee retention, improving public safety, creating revenue and jobs, improving the infrastructure, and improving the quality of life for East Palo Alto residents.

Major tasks and initiatives for fiscal year 2019/2020 include:

- Union negotiations with all three bargaining units.
- Facility planning, including identifying a strategy for the Police Dept. (which has a limited lease).
- Organizational Strength: Implement Granicus agenda management system, begin designing and implementing Enterprise Resource Planning systems.
- Policy: Updated Inclusionary Housing Policy, updated Transportation Demand Management Policy, create new Vehicle Miles Traveled policy for new CEQA Thresholds.
- Measure HH: Work with City Council to design implementation program for Measure HH revenues to improve job training opportunities and expand affordable housing.
- Infrastructure: \$15 million Bay Road streetscape and infrastructure project, Water Meter Replacement, \$22 million Safer Bay Levee project, \$12 million University Avenue pedestrian and bicycle overcrossing, Addison Green Street project, and implementation of recommendations of Mobility Study.
- Public Safety: Implement body worn cameras.
- Quality of Life: Work with community on parking issues and potential solutions raised by the Mobility Study, continue to explore opportunities for activating Cooley Landing, improve customer service with AWE and/or VEOLIA.
- Affordable Housing: Approve entitlements for 965 Weeks, break ground on Light Tree development, complete 2nd Unit Taskforce activities, and identify additional affordable housing opportunities.
- Planning and Development: Continue working on major projects such as Sobrato Phase II, 2020 Bay Road, UCI Office proposal, 4 Corners Hotel, and Sandhill Euclid Proposal.

The current budget reflects that General Fund revenues - excluding development pass-through activity - increases slightly from \$29.0M to \$29.2M.⁴ This small increase is a reflection both of one-time property and sales tax revenues received in FY 2018-19, and continued prediction of slowing revenue growth with no imminent, approved development occurring over the near term to drive revenue trends up in a significant manner. The table on the following page provides an overview of the FY 2019-20 Adopted Operating Budget:

⁴ FY 2018-19 Amended Budget consists of: \$29.0M General Revenues + \$2.3M Pass Through = \$31.3M
FY 2019-20 Adopted Budget consists of \$29.2M General Revenues + 1.3M Pass Through = \$30.5M

FY 19-20 Budget							
In Thousands							
Description	General Fund	General Reserves	Total General and Reserves	All Other Funds	City Operating Total	Successor Agency	Grand Total
Total Revenues	29,232	1,293	30,525	11,073	41,598	3,625	45,223
Total Expenditures	(25,280)	(3,340)	(28,620)	(10,410)	(39,030)	(1,777)	(40,807)
Net Sources / (Uses)	3,952	(2,047)	1,905	663	2,568	1,848	4,416
Net Transfers/Changes	(3,462)	1,825	(1,637)	1,637	-	900	900
Change Fund Balance	490	(222)	268	2,300	2,568	2,748	5,316
Total Estimated Balance							
Beginning Balance	14,318	8,504	22,822	35,693	58,515	(25,228)	33,287
Ending Balance	14,808	8,282	23,090	37,993	61,083	(22,480)	38,603

The Fiscal Year 2019-20 Adopted General Fund budget is balanced, with a projected increase of \$490,000 in available fund balance and projected fund reserve of \$14.8M. It is notable the City is embarking on comprehensive technical studies to determine appropriate risk-based General reserve balances and to set Council Policy for maintaining those levels. In the meantime, the robust reserve balances assist in funding infrastructure costs, addressing short-term Council priorities, and may be used to maintain our workforce during a recessionary economic cycle. Reserves serve as a protective shield from economic downturn, enable us to recover from natural disasters, and provide liquidity for maintenance or construction costs for our Capital Improvement Program. The city reserves also help us take advantage of grant opportunities as they arise – such as the Safer Bay Levee grant match of \$5.5M.

Conclusion

The City is in a stable financial condition, and has been able to successfully complete or advance multiple projects and initiatives thanks to the City Council’s willingness and support to raise the revenues necessary to maintain and modestly expand the level of City services, augment our staffing, and continue to improve employees’ salaries and benefits.

Despite much accomplished, the City needs to continue making progress to close the astronomical gap in deferred infrastructure and services created before the City’s incorporation. To do that work effectively and efficiently, the City is in a good position to strive to maintain a stable workforce that can sustain and deliver at a steady pace an agenda that is consistent with the available resources. This will require patience, long range planning, fiscal discipline, a high

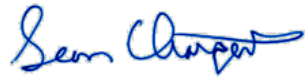
level of staff dedication and effort, and continued internal and external communication to ensure the Council is well informed of the community's needs and the organization's capacity.

We thank City staff for all the exceptional work completed over the last fiscal year. The amount, and quality of work has been exceptional, and the milestones reached, many. To the City Council my gratitude for providing steady guidance, keeping the pulse of the community's needs and always judiciously assessing what is best for the community, while confronting great challenges and making very difficult decisions on controversial issues of great importance for the future of the City.

Respectfully submitted;



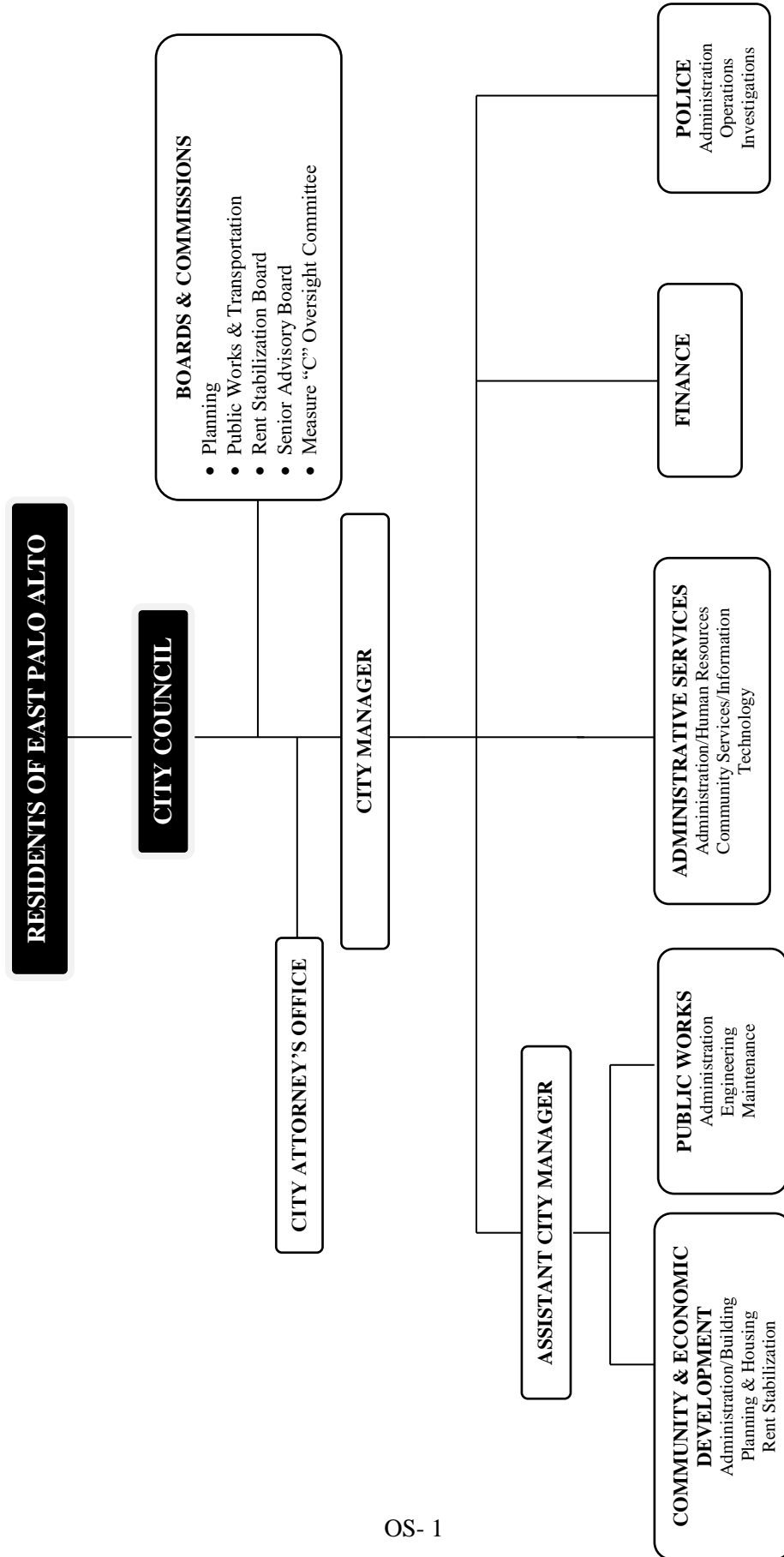
Jaime M. Fontes
City Manager



Sean Charpentier
Assistant City Manager



CITY OF EAST PALO ALTO
CITY ORGANIZATIONAL CHART
 FY 2019-2020 Budget



**CITY OF EAST PALO ALTO
TEN-YEAR POSITION SUMMARY**

Fiscal Year 2010-2011 Through Fiscal Year 2019-2020

	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Policy & Executive										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Clerk's Office	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
City Attorney's Office	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
City Manager's Office	4.00	3.00	3.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Sub-Total	13.00	12.00	12.00	13.00	13.00	13.00	12.00	12.00	12.00	12.00
Administrative Support Services										
Finance Department	6.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	7.00
Administrative Services	-	-	-	-	-	1.00	3.00	3.00	3.00	3.00
Community Services	-	2.00	2.00	4.00	5.13	4.38	4.38	4.15	4.15	4.15
Human Resources	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Sub-Total	9.00	9.00	9.00	11.00	12.13	12.38	15.38	15.15	15.15	16.15
Community and Economic Development										
Administration Division	2.00	5.50	5.50	7.00	8.00	4.00	4.00	5.90	6.45	6.45
Building Services Division	5.00	3.00	3.00	4.00	5.00	6.00	7.00	7.00	7.00	7.00
Economic Development	-	5.00	5.00	2.00	-	-	-	-	-	-
Redevelopment	6.00	-	-	-	-	-	-	-	-	-
Planning Division	5.00	3.00	3.00	4.00	3.00	3.00	4.00	4.00	4.00	4.00
Housing Division (Rent Stabilization)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
Senior Services Division	-	1.63	1.63	1.63	-	-	-	-	-	-
Sub-Total	20.00	20.13	20.13	20.63	18.00	15.00	17.00	19.90	20.45	20.45
Community Services										
Administration	2.00	-	-	-	-	-	-	-	-	-
Recreation Services Division	2.00	-	-	-	-	-	-	-	-	-
Senior Services Division	1.38	-	-	-	-	-	-	-	-	-
Sub-Total	5.38	-	-	-	-	-	-	-	-	-
Housing Services										
Administration	2.00	-	-	-	-	-	-	-	-	-
Housing Development	1.00	-	-	-	-	-	-	-	-	-
Sub-Total	3.00	-	-	-	-	-	-	-	-	-
Public Safety										
Administration Division	9.00	10.50	10.50	10.50	8.00	8.00	8.00	9.00	9.00	9.00
Investigations Division	5.00	5.00	5.00	5.00	8.00	8.00	8.25	8.25	8.25	10.15
Operations Division	34.00	32.00	32.00	32.00	28.00	29.50	29.00	29.00	29.00	28.00
Sub-Total	48.00	47.50	47.50	47.50	44.00	45.50	45.25	46.25	46.25	47.15
Public Works										
Administration Division	2.00	-	-	-	-	2.00	2.00	2.00	2.00	2.00
Engineering Division	6.00	5.00	5.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00
Maintenance Division	12.00	11.00	11.00	11.00	12.00	12.00	12.00	12.00	12.00	12.00
Sub-Total	20.00	16.00	16.00	17.00	18.00	19.00	19.00	19.00	19.00	19.00
TOTAL POSITIONS	118.38	104.63	104.63	109.13	105.13	104.88	108.63	112.30	112.85	114.75

**CITY OF EAST PALO ALTO
Detail Position Listing**

	FTE's FY 2019-20		FTE's FY 2019-20
Policy and Executive		Building Services Division	
City Council		a. Chief Building Official	1
a. Council Member	5	b. Building Inspector	1
		c. Building Permit Technician	2
		d. Code Enforcement Officer II	<u>3</u>
			7
City Attorney's Office		Housing Division	
a. City Attorney	1	a. RSP Administrator	1
b. Deputy City Attorney I/II	1	b. Housing Project Manager	1
c. Legal Secretary	<u>1</u>	c. Housing Counselor II	<u>1</u>
	3		3
City Manager's Office		Planning Division	
a. City Manager	1	a. Planning Manager	1
b. Assistant City Manager	1	b. Senior Planner	1
c. Executive Assist. to City Mgr	<u>1</u>	c. Associate Planner	1
	3	d. Assistant/Associate Planner	<u>1</u>
City Clerk's Office			4
a. City Clerk	1	Public Works	
Administrative Services		Administration Division	
Administration Division		a. Public Works Director	1
a. Administrative Svcs Director	1	b. Admin. Assistant	<u>1</u>
b. Grants Coordinator	1		2
c. Office Assistant	<u>1</u>	Engineering Division	
	3	a. City Engineer	1
Community Services Division		b. Senior Engineer	1
a. Community Programs Manager	1	c. Associate Engineer	1
b. Recreation Leader II (2 PT)	0.9	d. Assistant/Associate Civil Engineer	1
c. Van Driver (2 PT)	1	e. Public Works Inspector	<u>1</u>
d. Nutrition Site Supervisor (1 PT)	0.75		5
e. Kitchen Aide (1 PT)	<u>0.5</u>	Maintenance Division	
	4.15	a. Division Manager	1
Human Resources Division		b. Maintenance Worker I	4
a. HR Manager	1	c. Maintenance Worker II	4
b. HR Assistant	<u>1</u>	d. Maintenance Worker III	2
	2	e. Secretary I	<u>1</u>
Finance			12
a. Finance Director	1	Police	
b. Financial Services Manager	1	Administration Division	
c. SR Finance Project Manager- LTD	1	a. Police Chief	1
d. Payroll/HRIS Analyst	1	b. Administrative Manager	1
e. Accountant II	1	c. Police Property Officer	1
f. Accounting Technician I/II	<u>2</u>	d. Police Record's Clerk I/II	4
	7	e. Police Records Supervisor	1
Community and Economic Development		f. Police Sergeant	<u>1</u>
Administration Division			9
a. Community Dev Director	1	Investigations Division	
b. Management Analyst	2	a. Commander	1
c. Secretary II	1	b. Police Officer	5
d. Office Assistant	1	c. Community Services Officer	1
e. Environmental Service Aide	1	d. Community Service Aide (6 PT)	2.7
f. Community Service Aide (1 PT)	<u>0.45</u>	e. Cold Case Investigator	<u>0.45</u>
	6.45		10.15
		Operations Division	
		a. Commander	1
		b. Police Sergeant	4
		c. Police Officer	<u>23</u>
			28
		Total FTE's	<u><u>114.75</u></u>

East Palo Alto at a Glance

ABOUT EAST PALO ALTO

The City of East Palo Alto is located in the heart of the Silicon Valley and is uniquely positioned to maximize its potential as a significant city in the region. Founded by speculators and farmers in 1849, the town was originally named Ravenswood. For most of its history, the area regarded as East Palo Alto was 13 square miles and part of unincorporated San Mateo County. As such, it did not have an official boundary until it incorporated in 1983. However, the area was much larger than the City's current 2.5 square miles. Large tracts, including most of the commercial tax base, were annexed by Menlo Park and Palo Alto from the later 1940's to the early 1960's. This trend was halted in 1983 when the then predominantly African American residents incorporated to gain local control over land use and municipal services.

The original inhabitants were Ohlone/Costanoan Native Americans. Spanish ranchers took over, followed by an influx of speculators and settlers of European origin. For a time, Chinese laborers were prevalent. Asian and Italian flower growers preceded the flood of middle-class migrants drawn to post-war housing developments. East Palo Alto later became the largest African American community on the Peninsula. Today, due to significant demographic changes during the last decade, the City of 30,545 possesses a broad multi-ethnic profile that includes a majority Latino and growing Pacific Islander population.

Trade has alternately focused on ranching, transportation and shipping, brick manufacturing, farming, servicing travelers of Bayshore Highway and Dumbarton Bridge, and flower growing. At present there is a mix of industrial, agricultural and commercial businesses – with an anticipated increase in commercial business.

The signs of continuing and rapid transition are clearly evident; and none more so than the rapid changes brought about by close proximity the most successful businesses in Silicon Valley. However, some things have remained constant, namely the characteristics that have always attracted people to the area: multi-cultural acceptance; a beautiful, rural-like setting; centralized location; proximity to transportation and the San Francisco Bay; as well as some of the most enviable weather in the nation.

During the year, the City completed construction on a \$12 million Pedestrian Overcrossing project. This remarkable project represents a collaboration of the local community, Federal and State grantors, and City government and – most significantly – joins the west and east neighborhoods of East Palo Alto.

Today, the City of East Palo Alto is closer than ever to realizing its potential. As the City continues to make progress and become more self-sufficient, there is evidence that East Palo Alto will be able to strike a harmonious balance between a goal of establishing a sound commercial base and the dream of an idyllic and welcoming community.

CITY GEOGRAPHY

The City of East Palo Alto is located in the Silicon Valley, approximately 29 miles south of San Francisco and 19 miles north of San Jose. The City occupies 2.5 square miles. The latest estimates place the City's population at 30,545.

CITY AUTHORITY

The City of East Palo Alto is a general law city under California State law and its rights, powers, privileges, authority, and functions are established through the State constitution and the State Law. The powers granted to California cities by state statute include the power to: sue and be sued; purchase, receive by gift or bequest and hold land, make contracts and purchases and hold personal property necessary to the exercise of its powers, manage, sell, lease, or otherwise dispose of its property as the interest of its inhabitants require; levy and collect taxes authorized by law and exercise such other and further powers as may be especially conferred by law or as may be necessarily implied from those expressed.

The City provides a range of services to its residents including public protection through the Police Department, the construction and maintenance of streets and infrastructure, community development, financial management, and administrative services.

THE CITY COUNCIL

The members of the City Council are elected by the voters to serve overlapping four-year terms. The Mayor is elected by, and from, the City Council for a one-year term. The City Council sets policy and exercises the legislative authority of the City. By City Ordinance, the City Council holds meetings on the first and third Tuesdays of every month and at other times as, in the opinion of the City Council, the public interest may require.

The current City Council members and the dates upon which their respective terms expire are as follows:

Mayor: Lisa Gauthier, Nov. 2020
Vice Mayor: Regina Wallace-Jones, Nov. 2022
Council Member: Larry Moody, Nov. 2020
Council Member: Carlos Romero, Nov. 2020
Council Member: Ruben Abrica, Nov. 2022

FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court delivered its decision in the *California Redevelopment Association v. Matosantos* case, finding ABx1 26 (the "Dissolution Act") largely constitutional and AB1x 27 unconstitutional. The Court's bifurcated decision meant that all California redevelopment agencies, including the Redevelopment Agency of the City of East Palo Alto (the "Redevelopment Agency"), dissolved under the constitutional Dissolution Act, and none had the opportunity to opt into continued existence under the unconstitutional Alternative Redevelopment Program Act. As a result, the Redevelopment Agency was dissolved on February 1, 2012.

SUCCESSOR AGENCY

On January 10, 2012, the Council took formal action to form the Successor Agency. As of February 1, 2012, the Successor Agency (Agency) was created as a result of the dissolution of the Redevelopment Agency (RDA) as indicated in the previous section above. With oversight transferred to a County Oversight Board effective July 1, 2018, the Successor Agency is charged with the responsibility of paying off former Redevelopment debts and winding down the activities and affairs of the former redevelopment agency through the sale and disposition of its assets and properties.

ADMINISTRATION AND MANAGEMENT

East Palo Alto is a Council-Manager form of government. The City Council appoints the City Manager who appoints all other City officials except the City Attorney who is also appointed by the Council and is charged with overseeing the City's daily operations. Many boards, commissions, and committees assist the City Council and Administration in carrying out various aspects and functions of city government.

Demographic Information

Government

Incorporated July 1, 1983

East Palo Alto is a General Law Council/ Manager City governed by a five-member City Council with a Council elected Mayor.

Full-time Equivalent Employees (FTE)

FY 2019-20¹

City Council.....	5.00
City Manager.....	3.00
City Attorney.....	3.00
City Clerk.....	1.00
Finance.....	7.00
Administrative Services.....	9.15
Community Development.....	20.45
Police.....	47.15
Public Works.....	19.00
Total.....	114.75

Demographics

Land Area: 2.5 square miles

Population²

1990.....	23,570
2000.....	29,506
2005.....	29,431
2010.....	28,155
2015.....	29,137
2017-18 Projected ¹	30,917

Population by Gender²

Male.....	51.0%
Female.....	49.0%

Population by Age Group³

Under 5 years.....	8.1%
5 to 9 years.....	7.8%
10 to 14 years.....	8.4%
15 to 19 years.....	10.4%
20 to 24 years.....	9.6%
25 to 34 years.....	16.3%
35 to 44 years.....	15.1%
45 to 54 years.....	11.3%
55 to 59 years.....	4.0%
60 to 64 years.....	2.1%
65 to 74 years.....	3.4%
75 to 84 years.....	2.7%
85 years and over.....	0.5%

Median Age: 28.8

Racial Composition ³

Hispanic or Latino (of any race).....	63.50%
Black or African American.....	12.40%
Nativan Hawaiian and Other Pacific Islander.....	9.90%
White.....	7.60%
Asian.....	3.70%
Other.....	2.90%

Level of Education Attainment of people 25 years ad older

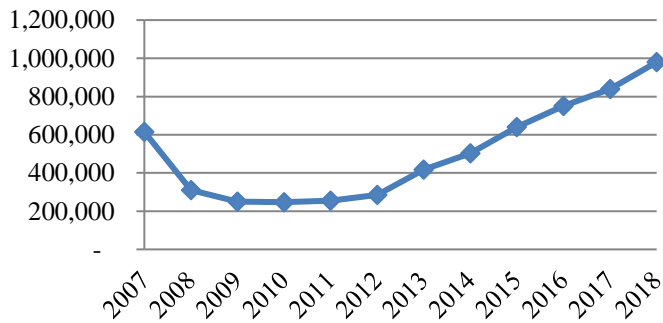
High School Graduate.....	25.40%
Less than 9 th Grade.....	22.60%
Some College (no Degree).....	20.50%
Grades 9-12 (no diploma).....	10.90%
Bachelor's Degree.....	11.30%
Graduate/ Professional Degree.....	5.80%
Associate Degree.....	3.70%

Per Capital Personal Income

(FY 2017-18)³: \$23,171

Median Sales Price for Single Family Residences ⁴

\$980, 000 year 2018



Notes

¹ Finance Department/CAFR City of East Palo Alto
² State of CA, Department of Finance estimates
³ US Census Bureau, 2009-2010 American Community Survey
⁴ San Mateo County Associations of Realtors

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FINANCIAL SUMMARY

FY 2019-2020 Budget

The Financial Summary section contains the following adopted budget and financial summary information:

Budget Information:

- **Citywide Budget Overview**
 - FY 2019-20 Budget by Fund Category

- **General Fund Overview**
 - FY 2019-20 General Fund and Internal Reserve Funds Budget

- **Special Revenue Funds Overview**
 - FY 2019-20 Special Revenue Funds Budget
 - FY 2019-20 Community and Housing Programs Budget
 - FY 2019-20 Transportation and Infrastructure Programs Budget

- **Enterprise Funds Overview**
 - FY 2019-20 Enterprise Fund Budget

Financial Information:

- General Fund Revenues by Major Category
- General Fund Expenditures by Major Category

CITYWIDE BUDGET OVERVIEW

The Citywide budget overview provides a one-page view across all the various fund-types operating within the City. This view gives a full perspective of total revenues by character and total expenditures by department across all City funds. The City operates the following fund-group types:

- **General and Internal Reserve Funds**
- **Special Revenue Funds**
- **Capital Improvement Projects Fund**
- **Enterprise Funds**
- **Successor Agency Trust Fund**

CITY OF EAST PALO ALTO
FY 2019-2020 BUDGET BY FUND CATEGORY

	General Fund and Internal Reserves	Special Revenue Funds	Capital Improvement Fund	Enterprise Funds	City Operating Total	Successor Trust Fund	GRAND TOTAL
Revenues							
Property Tax	14,950,000	745,800	-	-	15,695,800	3,610,000	19,305,800
Sales Tax	5,900,000	-	-	-	5,900,000	-	5,900,000
Utility Users Tax	1,570,000	-	-	-	1,570,000	-	1,570,000
Transient Occupancy Tax	2,300,000	575,000	-	-	2,875,000	-	2,875,000
Other State and Local Taxes	15,000	4,032,980	-	-	4,047,980	-	4,047,980
Franchise Fees	1,050,000	-	-	-	1,050,000	-	1,050,000
Licenses, Fees, and Permits	3,005,000	665,000	-	890,000	4,560,000	-	4,560,000
Fines and Forfeitures	420,000	-	-	-	420,000	-	420,000
Use of Money and Property	537,000	364,400	310,000	512,000	1,723,400	15,000	1,738,400
Grants and Intergovernmental	75,000	227,800	-	-	302,800	-	302,800
Charges for Current Services	690,500	10,000	-	2,400,000	3,100,500	-	3,100,500
Other Miscellaneous	12,500	60,000	-	280,000	352,500	-	352,500
Total Revenues	30,525,000	6,680,980	310,000	4,082,000	41,597,980	3,625,000	45,222,980
Expenditures							
City Council	278,500	-	-	-	278,500	-	278,500
City Attorney	785,300	60,000	-	10,000	855,300	7,500	862,800
City Clerk	381,600	-	-	-	381,600	-	381,600
City Manager	1,000,000	135,000	50,000	-	1,185,000	-	1,185,000
Administrative Services	2,162,750	310,000	-	-	2,472,750	-	2,472,750
Finance	1,341,200	4,100	-	20,000	1,365,300	3,500	1,368,800
Community Development	4,081,650	3,575,730	-	116,450	7,773,830	-	7,773,830
Public Works	3,744,370	1,209,110	150,000	114,850	5,218,330	-	5,218,330
Police	12,357,400	175,000	-	-	12,532,400	-	12,532,400
Non-Departmental							
Capital/Technology	1,490,000	1,076,500	-	-	2,566,500	-	2,566,500
Debt Service	-	-	-	-	-	1,661,500	1,661,500
Insurance and Settlements	460,000	-	-	-	460,000	-	460,000
Other Non-Departmental	993,400	255,900	-	2,529,900	3,779,200	65,500	3,844,700
Overhead Allocation	(456,000)	456,000	-	161,000	161,000	39,000	200,000
Total Expenditures	28,620,170	7,257,340	200,000	2,952,200	39,029,710	1,777,000	40,806,710
Net Sources / (Uses)	1,904,830	(576,360)	110,000	1,129,800	2,568,270	1,848,000	4,416,270
Other Financing Sources / (Uses)							
Transfers In	-	1,012,000	625,000	-	1,637,000	-	1,637,000
Transfers Out	(1,637,000)	-	-	-	(1,637,000)	-	(1,637,000)
Net Operating Transfers	(1,637,000)	1,012,000	625,000	-	-	-	-
Change in Fund Balance	267,830	435,640	735,000	1,129,800	2,568,270	1,848,000	4,416,270
Other Changes	-	-	-	-	-	900,000	900,000
Projected Fund Balance							
July 01, 2019 Balance	22,822,185	20,123,125	6,966,045	8,603,705	58,515,060	(25,228,350)	33,286,710
June 30, 2020 Balance	23,090,015	20,558,765	7,701,045	9,733,505	61,083,330	(22,480,350)	38,602,980

GENERAL FUND OVERVIEW

General Fund

The General Fund is the primary operating fund of the City. The fund accounts for all revenues, expenditures, transfers, and other activity not accounted for in other City funds.

General Fund revenues are derived from five major sources including, Property Tax, Sales and Use Tax, Transient Occupancy Tax (TOT), Utility Users Tax, and Business License Tax. Collectively, these taxes account for approximately 89% of total General Fund revenues, excluding development pass-through activity. General Fund uses primarily consist of personnel, contract and purchase services, supplies and materials, and other expenditures.

General Fund Reserve Sub-Funds

Information Services

The Information Services Fund accounts for the accumulation of resources to acquire or improve information technology equipment and software, fund the Redwood City IT services contract, IT equipment replacement, and software licensing and maintenance costs.

Equipment and Vehicle Replacement

The Equipment and Vehicle Replacement Fund accounts for monies utilized to acquire and replace equipment and vehicles.

Insurance Reserve

The Insurance Reserve Fund accounts for the accumulation of resources to cover the costs of unanticipated loss and settlements due to property, casualty, or liability exposures and to cover the costs of PLAN JPA insurance coverage in excess of the City's \$100,000 self-insured limit per liability claim.

Contingency Reserve

The Contingency Reserve is a separate sub-fund created to hold cash reserves of a minimum of 15% of total General Fund actual expenditures.

Community Benefit

The Community Benefit Fund accounts for activity related to community benefit payments by developers.

Development Pass-Through

The Development Pass-Through Fund accounts for pass-through development fee activity and temporary staffing needs anticipated for unusually high development activity.

CITY OF EAST PALO ALTO
FY 2019-2020 GENERAL FUND AND RESERVES BUDGET

	General Fund F010	Info Services Reserve F011	Equipment and Vehicle Reserve F012	Insurance Reserve F013	Contingency Reserve F015	Community Benefits F016	Development Pass Through F017	Total
Revenues								
Property Tax	14,950,000	-	-	-	-	-	-	14,950,000
Sales Tax	5,900,000	-	-	-	-	-	-	5,900,000
Utility Users Tax	1,570,000	-	-	-	-	-	-	1,570,000
Transient Occupancy Tax	2,300,000	-	-	-	-	-	-	2,300,000
Other State and Local Taxes	15,000	-	-	-	-	-	-	15,000
Franchise Fees	1,050,000	-	-	-	-	-	-	1,050,000
Licenses, Fees, and Permits	1,712,500	-	-	-	-	-	1,292,500	3,005,000
Fines and Forfeitures	420,000	-	-	-	-	-	-	420,000
Use of Money and Property	537,000	-	-	-	-	-	-	537,000
Grants and Intergovernmental	75,000	-	-	-	-	-	-	75,000
Charges for Current Services	690,500	-	-	-	-	-	-	690,500
Other Miscellaneous	12,500	-	-	-	-	-	-	12,500
Total Revenues	29,232,500	-	-	-	-	-	1,292,500	30,525,000
Expenditures								
City Council	170,000	108,500	-	-	-	-	-	278,500
City Attorney	745,300	-	-	40,000	-	-	-	785,300
City Clerk	241,600	140,000	-	-	-	-	-	381,600
City Manager	1,000,000	-	-	-	-	-	-	1,000,000
Administrative Services	1,562,750	350,000	-	-	-	250,000	-	2,162,750
Finance	1,136,900	204,300	-	-	-	-	-	1,341,200
Community Development	3,249,650	7,000	-	-	-	-	825,000	4,081,650
Public Works	3,329,370	35,000	30,000	-	-	-	350,000	3,744,370
Police	12,107,400	55,000	195,000	-	-	-	-	12,357,400
Non-Departmental								
Capital/Technology	1,350,000	140,000	-	-	-	-	-	1,490,000
Debt Service	-	-	-	-	-	-	-	-
Insurance and Settlements	-	-	-	460,000	-	-	-	460,000
Other Non-Departmental	843,200	150,200	-	-	-	-	-	993,400
Overhead Allocation	(456,000)	-	-	-	-	-	-	(456,000)
Total Expenditures	25,280,170	1,190,000	225,000	500,000	-	250,000	1,175,000	28,620,170
Net Sources / (Uses)	3,952,330	(1,190,000)	(225,000)	(500,000)	-	(250,000)	117,500	1,904,830
Other Financing Sources / (Uses)								
Transfers In	-	1,150,000	275,000	400,000	-	-	(1,825,000)	-
Transfers Out	(3,462,000)	-	-	-	-	-	1,825,000	(1,637,000)
Net Operating Transfers	(3,462,000)	1,150,000	275,000	400,000	-	-	-	(1,637,000)
Change in Fund Balance	490,330	(40,000)	50,000	(100,000)	-	(250,000)	117,500	267,830
Other Changes	-	-	-	-	-	-	-	-
Projected Fund Balance								
July 01, 2019 Balance	14,317,850	1,567,400	898,510	2,038,425	3,750,000	250,000	-	22,822,185
June 30, 2020 Balance	14,808,180	1,527,400	948,510	1,938,425	3,750,000	-	117,500	23,090,015

SPECIAL REVENUE FUNDS OVERVIEW

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than major capital projects or debt service. GASB 54 clarifies that the *proceeds of specific a revenue source*, whether legal or administrative, is the foundation for classification of a Special Revenue Fund.

Community Programs

Public Safety Grants

The Public Safety Grants Fund accounts for revenues and expenditures for the Citizen Options for Public Safety Program and Supplemental Law Enforcement Services Fund (COPS/SLESF).

Federal and State Grants

Federal and State Grants Fund accounts for the Congregate Meals/Senior Nutrition and Senior Transportation grant programs passed through the San Mateo County Office of Aging and Adult Services.

Local Grants

The Local Grants Funds account for all other local grant activity not accounted for in separate funds.

CYSFF

The CYSFF Fund accounts for 10% of the Transient Occupancy Tax (TOT) collected as approved by voters to fund various nonprofit organizations providing services to children, youth, and families.

Affordable Housing Programs

Rent Stabilization

The Rent Stabilization Fund accounts for revenues and expenditures to support rent stabilization programs and activities.

Housing in Lieu

The Housing in Lieu Fund accounts for developer fees and deposits in lieu of providing affordable housing, and 10% of the Transient Occupancy Tax (TOT) collected as approved by voters and the City Council to fund affordable housing initiatives.

Housing Assistance

The Housing Assistance Fund accounts for first time home buyer assistance program activities.

Housing TOT

The Housing TOT Fund accounts for 10% of the Transient Occupancy Tax (TOT) collected as approved by voters to fund affordable housing development activity.

SPECIAL REVENUE FUNDS OVERVIEW

Measure HH

The Measure HH Fund accounts for a voter-approved parcel tax on commercial office space of 25,000 square feet or more collected to fund affordable and supportive housing programs; programs that facilitate citizen access to job opportunities in science, technology, engineering and mathematics (S.T.E.M.) and building trades, and strengthen the First Source Hiring Program.

Silicon Valley Community Foundation

The Silicon Valley Community Foundation (SVCF) Fund accounts for gift monies from SVCF for the purpose of incentivizing the affordable housing development within the City. The monies are further restricted to pay a minimum amount of \$500,000 for an affordable housing manager position over a period of five years.

Housing Successor Agency

The Housing Successor Agency Funds account for activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The funds are restricted to housing-related activities for low and moderate income needs.

Transportation and Infrastructure Programs

State Gas Tax

The State Gas Tax Fund is required by State law to account for California State gasoline taxes. This tax is primarily distributed to cities based on population and proportion of registered vehicles. Gas tax funds must be spent on public street-related maintenance and capital expenditures.

Measure A

The Measure A Fund accounts for a countywide one-half percent sales and use tax to support countywide (San Mateo County) transportation projects and programs.

NPDES

The NPDES Fund accounts for revenues and expenditures from assessments levied on property in the City in compliance with the provision of the National Pollutant Elimination System for prevention of storm water and flood related damage.

Park in Lieu

The Park in Lieu Fund accounts for all fees collected from developers to be used to acquire new parkland or fund capital improvements at existing recreational and park facilities which will serve residents of new development.

SPECIAL REVENUE FUNDS OVERVIEW

Public Improvements in Lieu

The Public Improvements in Lieu Fund account for fees collected from developers in lieu of public infrastructure improvements including, but not limited to, curbs, storm drains, sidewalks, pavement, and street tree installation per City standards.

Lighting District

The City maintains one Lighting District, the Ravenswood Highway Lighting District, to cover the costs of lighting on and around public streets, highways, parks, and alleys. The Lighting District Fund accounts for all revenues (assessments) and expenditures associated with the District.

Drainage District

The City maintains one Drainage District, the East Palo Alto Maintenance Drainage District, to cover the costs of providing storm drainage and flood control management services for areas related to the district boundary. The Drainage District Fund accounts for all revenues (assessments) and expenditures associated with the District.

Measure W

The Measure W Fund accounts for the City's allocation of a voter-approved one-half percent (0.5%) San Mateo County sales tax enacted for thirty years to road improvements, transit services, and implementation of the San Mateo County Congestion Relief Plan.

CITY OF EAST PALO ALTO
FY 2019-2020 SPECIAL REVENUE FUNDS BUDGET

	Community Programs	Housing Programs	Transportation and Infrastructure Programs	Total
Revenues				
Property Tax	-	-	745,800	745,800
Sales Tax	-	-	-	-
Utility Users Tax	-	-	-	-
Transient Occupancy Tax	287,500	287,500	-	575,000
Other State and Local Taxes	-	1,677,280	2,355,700	4,032,980
Franchise Fees	-	-	-	-
Licenses, Fees, and Permits	-	525,000	140,000	665,000
Fines and Forfeitures	-	-	-	-
Use of Money and Property	25,000	173,000	166,400	364,400
Grants and Intergovernmental	227,800	-	-	227,800
Charges for Current Services	-	5,000	5,000	10,000
Other Miscellaneous	-	60,000	-	60,000
Total Revenues	540,300	2,727,780	3,412,900	6,680,980
Expenditures				
City Council	-	-	-	-
City Attorney	-	40,000	20,000	60,000
City Clerk	-	-	-	-
City Manager	-	135,000	-	135,000
Administrative Services	310,000	-	-	310,000
Finance	-	1,500	2,600	4,100
Community Development	7,800	3,390,430	177,500	3,575,730
Public Works	-	-	1,209,110	1,209,110
Police	175,000	-	-	175,000
Non-Departmental	-	-	-	-
Capital/Technology	-	-	1,076,500	1,076,500
Debt Service	-	-	-	-
Insurance and Settlements	-	-	-	-
Other Non-Departmental	-	10,000	245,900	255,900
Overhead Allocation	16,900	224,100	215,000	456,000
Total Expenditures	509,700	3,801,030	2,946,610	7,257,340
Net Sources / (Uses)	30,600	(1,073,250)	466,290	(576,360)
Other Financing Sources / (Uses)				
Transfers In	-	442,940	569,060	1,012,000
Transfers Out	-	-	-	-
Net Operating Transfers	-	442,940	569,060	1,012,000
Change in Fund Balance	30,600	(630,310)	1,035,350	435,640
Other Changes	-	-	-	-
Projected Fund Balance				
July 01, 2019 Balance	1,225,065	10,534,665	8,363,395	20,123,125
June 30, 2020 Balance	1,255,665	9,904,355	9,398,745	20,558,765

CITY OF EAST PALO ALTO
FY 2019-2020 COMMUNITY PROGRAMS BUDGET

	Public Safety Grants F213	Federal and State Grants F215	Local Grants F230	CYSFF TOT F231	Total Community Programs
Revenues					
Property Tax	-	-	-	-	-
Sales Tax	-	-	-	-	-
Utility Users Tax	-	-	-	-	-
Transient Occupancy Tax	-	-	-	287,500	287,500
Other State and Local Taxes	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Use of Money and Property	4,000	1,000	5,000	15,000	25,000
Grants and Intergovernmental	175,000	52,800	-	-	227,800
Charges for Current Services	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-
Total Revenues	179,000	53,800	5,000	302,500	540,300
Expenditures					
City Council	-	-	-	-	-
City Attorney	-	-	-	-	-
City Clerk	-	-	-	-	-
City Manager	-	-	-	-	-
Administrative Services	-	45,000	-	265,000	310,000
Finance	-	-	-	-	-
Community Development	-	7,800	-	-	7,800
Public Works	-	-	-	-	-
Police	175,000	-	-	-	175,000
Non-Departmental					
Capital/Technology	-	-	-	-	-
Debt Service	-	-	-	-	-
Insurance and Settlements	-	-	-	-	-
Other Non-Departmental	-	-	-	-	-
Overhead Allocation	-	-	-	16,900	16,900
Total Expenditures	175,000	52,800	-	281,900	509,700
Net Sources / (Uses)	4,000	1,000	5,000	20,600	30,600
Other Financing Sources / (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Net Operating Transfers	-	-	-	-	-
Change in Fund Balance	4,000	1,000	5,000	20,600	30,600
Other Changes	-	-	-	-	-
Projected Fund Balance					
July 01, 2019 Balance	127,100	92,445	238,130	767,390	1,225,065
June 30, 2020 Balance	131,100	93,445	243,130	787,990	1,255,665

CITY OF EAST PALO ALTO
FY 2019-2020 HOUSING PROGRAMS BUDGET

	Rent Stabilization F204	Housing In Lieu F207	Housing Assistance F209	Housing TOT F218	Measure HH F219	LMIF Housing Successor F220	Silicon Valley Community F233	Total
Revenues								
Property Tax	-	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-	-	-
Utility Users Tax	-	-	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	287,500	-	-	-	287,500
Other State and Local Taxes	-	-	-	-	1,677,280	-	-	1,677,280
Franchise Fees	-	-	-	-	-	-	-	-
Licenses, Fees, and Permits	525,000	-	-	-	-	-	-	525,000
Fines and Forfeitures	-	-	-	-	-	-	-	-
Use of Money and Property	13,000	117,000	5,000	5,000	10,000	19,000	4,000	173,000
Grants and Intergovernmental	-	-	-	-	-	-	-	-
Charges for Current Services	-	-	5,000	-	-	-	-	5,000
Other Miscellaneous	-	-	-	-	-	60,000	-	60,000
Total Revenues	538,000	117,000	10,000	292,500	1,687,280	79,000	4,000	2,727,780
Expenditures								
City Council	-	-	-	-	-	-	-	-
City Attorney	-	-	-	-	-	40,000	-	40,000
City Clerk	-	-	-	-	-	-	-	-
City Manager	-	-	-	-	135,000	-	-	135,000
Administrative Services	-	-	-	-	-	-	-	-
Finance	-	-	-	-	1,500	-	-	1,500
Community Development	412,600	1,900,000	29,000	-	714,730	204,000	130,100	3,390,430
Public Works	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Non-Departmental								
Capital/Technology	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Insurance and Settlements	-	-	-	-	-	-	-	-
Other Non-Departmental	-	10,000	-	-	-	-	-	10,000
Overhead Allocation	206,500	17,600	-	-	-	-	-	224,100
Total Expenditures	619,100	1,927,600	29,000	-	851,230	244,000	130,100	3,801,030
Net Sources / (Uses)	(81,100)	(1,810,600)	(19,000)	292,500	836,050	(165,000)	(126,100)	(1,073,250)
Other Financing Sources / (Uses)								
Transfers In	-	-	-	-	-	442,940	-	442,940
Transfers Out	-	-	-	-	-	-	-	-
Net Operating Transfers	-	-	-	-	-	442,940	-	442,940
Change in Fund Balance	(81,100)	(1,810,600)	(19,000)	292,500	836,050	277,940	(126,100)	(630,310)
Other Changes	-	-	-	-	-	-	-	-
Projected Fund Balance								
July 01, 2019 Balance	737,565	6,400,000	244,465	2,089,990	-	724,900	337,745	10,534,665
June 30, 2020 Balance	656,465	4,589,400	225,465	2,382,490	836,050	1,002,840	211,645	9,904,355

Note: Budget does not include \$10 million "Catalyst Funds" held by third parties under a Memorandum of Understanding entered into with Hibiscis Properties LLC, a wholly-owned subsidiary of Facebook, Inc.

CITY OF EAST PALO ALTO
FY 2019-2020 INFRASTRUCTURE PROGRAMS BUDGET

	State Gas Tax F201	Measure A F202	NPDES F203	Park In Lieu Fees F206	Public Imp In Lieu Fees F208	Lighting District F221	Drainage District F222	Measure W F234	Total
Revenues									
Property Tax	-	-	-	-	-	627,900	117,900	-	745,800
Sales Tax	-	-	-	-	-	-	-	-	-
Utility Users Tax	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-	-	-	-
Other State and Local Taxes	1,340,700	665,000	80,000	-	-	-	-	270,000	2,355,700
Franchise Fees	-	-	-	-	-	-	-	-	-
Licenses, Fees, and Permits	-	-	130,000	-	10,000	-	-	-	140,000
Fines and Forfeitures	-	-	-	-	-	-	-	-	-
Use of Money and Property	28,000	68,000	2,000	2,000	5,000	58,000	3,400	-	166,400
Grants and Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for Current Services	-	-	5,000	-	-	-	-	-	5,000
Other Miscellaneous	-	-	-	-	-	-	-	-	-
Total Revenues	1,368,700	733,000	217,000	2,000	15,000	685,900	121,300	270,000	3,412,900
Expenditures									
City Council	-	-	-	-	-	-	-	-	-
City Attorney	-	-	15,000	-	-	2,500	2,500	-	20,000
City Clerk	-	-	-	-	-	-	-	-	-
City Manager	-	-	-	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-	-	-	-
Finance	-	1,600	1,000	-	-	-	-	-	2,600
Community Development	-	-	127,500	-	50,000	-	-	-	177,500
Public Works	558,050	5,000	218,600	-	-	139,400	288,060	-	1,209,110
Police	-	-	-	-	-	-	-	-	-
Non-Departmental	-	-	-	-	-	-	-	-	-
Capital/Technology	546,500	530,000	-	-	-	-	-	-	1,076,500
Debt Service	-	-	-	-	-	-	-	-	-
Insurance and Settlements	-	-	-	-	-	-	-	-	-
Other Non-Departmental	73,300	-	167,000	-	-	4,500	1,100	-	245,900
Overhead Allocation	121,700	11,500	7,800	-	-	61,700	12,300	-	215,000
Total Expenditures	1,299,550	548,100	536,900	-	50,000	208,100	303,960	-	2,946,610
Net Sources / (Uses)	69,150	184,900	(319,900)	2,000	(35,000)	477,800	(182,660)	270,000	466,290
Other Financing Sources / (Uses)									
Transfers In	64,500	-	321,900	-	-	-	182,660	-	569,060
Transfers Out	-	-	-	-	-	-	-	-	-
Net Operating Transfers	64,500	-	321,900	-	-	-	182,660	-	569,060
Change in Fund Balance	133,650	184,900	2,000	2,000	(35,000)	477,800	-	270,000	1,035,350
Other Changes	-	-	-	-	-	-	-	-	-
Projected Fund Balance									
July 01, 2019 Balance	1,804,185	2,929,775	8,110	319,290	321,290	2,785,840	194,905	-	8,363,395
June 30, 2020 Balance	1,937,835	3,114,675	10,110	321,290	286,290	3,263,640	194,905	270,000	9,398,745

ENTERPRISE FUNDS OVERVIEW

Enterprise Funds account for City operations financed and operated in a manner similar to a private business enterprise. Government-run enterprises often charge user-fees to support the service or product provided. These activities are not necessarily self-supporting and may rely on general government subsidies to fully fund operations, though it is the intent of the City to fund these services primarily through user charges.

Garbage Collection Fund

Garbage collection services and recycling in East Palo Alto is provided by Recology of San Mateo County. Revenues are primarily derived from solid waste service fees.

The Garbage Collection Fund accounts for activities associated with residential and commercial garbage collection, street sweeping, litter control, and related services. Fees for litter control are collected by the South Bay Waste Management Authority (SBWMA) from both residential and commercial customers. The City collects residential solid waste collection fees directly from the property tax rolls and remits such fees to Recology of San Mateo County for services provided to those customers.

Water Service Funds

Most of East Palo Alto's water connections (about 80%) are served by the City's water system that is operated and leased by American Water Enterprises (AWE). The remaining connections are served by Palo Alto Park Mutual Water Company or O'Connor Tract Co-op Water Company. American Water Enterprises supplies the City's water from the San Francisco Public Utilities Commission.

The Water Service Fund accounts for the lease operating revenue and connection fees from American Water Services and uses such fees for expenses and capital improvement costs related to the City's operating obligations under the agreement with AWE.

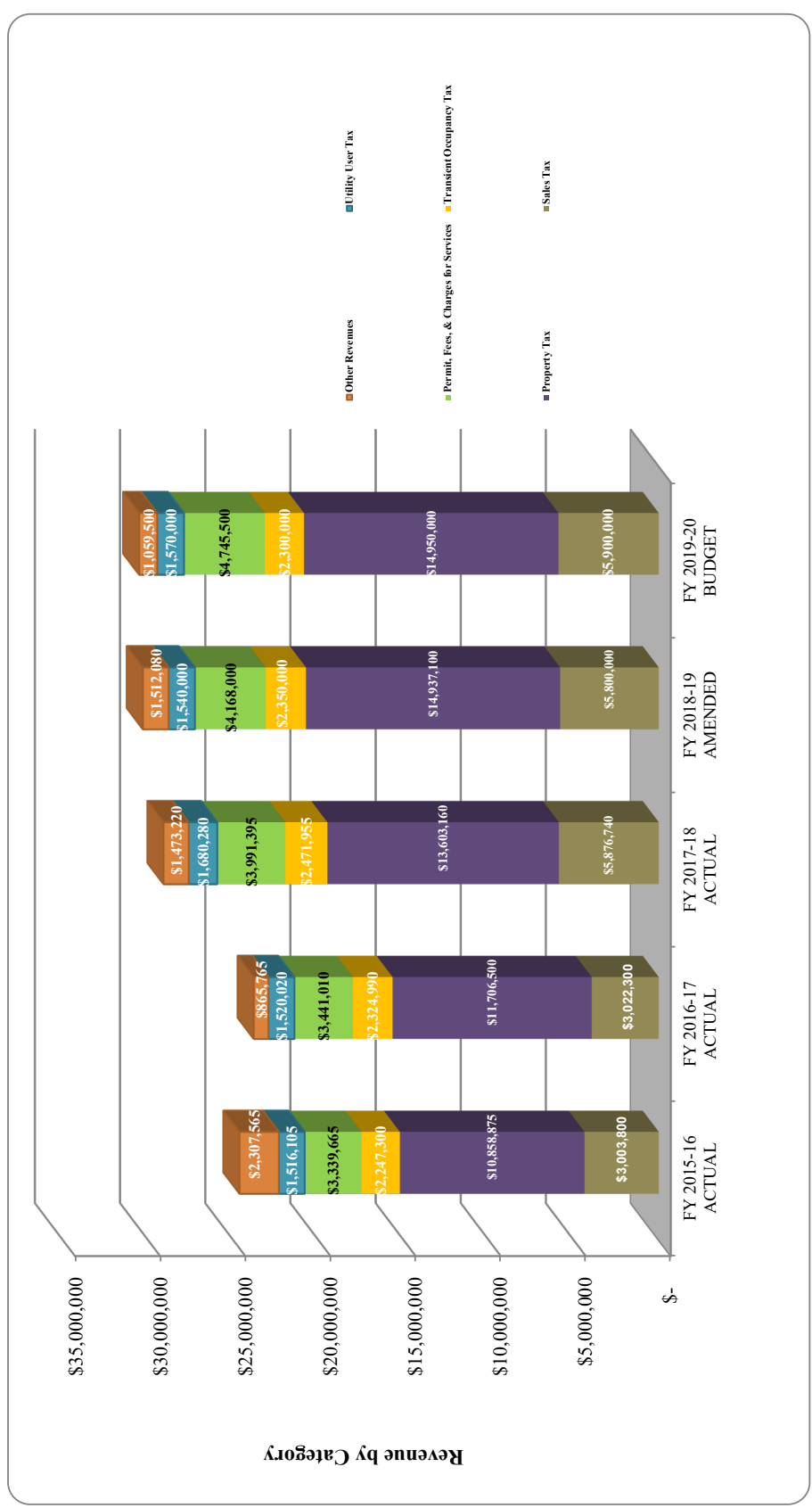
The fund group also includes the Capital and Meter Surcharges approved in July 2015.

CITY OF EAST PALO ALTO
FY 2019-2020 ENTERPRISE FUNDS BUDGET

	Water Lease F510	Water Capital F511	Water Meter F512	Water Capacity F513	Garbage Service F520	Total
Revenues						
Property Tax	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-
Utility Users Tax	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-
Other State and Local Taxes	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-
Licenses, Fees, and Permits	-	575,000	315,000	-	-	890,000
Fines and Forfeitures	-	-	-	-	-	-
Use of Money and Property	410,000	55,000	20,000	5,000	22,000	512,000
Grants and Intergovernmental	-	-	-	-	-	-
Charges for Current Services	-	-	-	-	2,400,000	2,400,000
Other Miscellaneous	-	-	-	-	280,000	280,000
Total Revenues	410,000	630,000	335,000	5,000	2,702,000	4,082,000
Expenditures						
City Council	-	-	-	-	-	-
City Attorney	10,000	-	-	-	-	10,000
City Clerk	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-
Finance	-	-	-	-	20,000	20,000
Community Development	500	-	-	-	115,950	116,450
Public Works	62,300	-	-	-	52,550	114,850
Police	-	-	-	-	-	-
Non-Departmental						
Capital/Technology	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Insurance and Settlements	-	-	-	-	-	-
Other Non-Departmental	23,400	-	-	-	2,506,500	2,529,900
Overhead Allocation	43,500	-	-	-	117,500	161,000
Total Expenditures	139,700	-	-	-	2,812,500	2,952,200
Net Sources / (Uses)	270,300	630,000	335,000	5,000	(110,500)	1,129,800
Other Financing Sources / (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Net Operating Transfers	-	-	-	-	-	-
Change in Fund Balance	270,300	630,000	335,000	5,000	(110,500)	1,129,800
Other Changes	-	-	-	-	-	-
Projected Fund Balance						
July 01, 2019 Balance	2,516,705	3,353,300	1,136,960	682,480	914,260	8,603,705
June 30, 2020 Balance	2,787,005	3,983,300	1,471,960	687,480	803,760	9,733,505

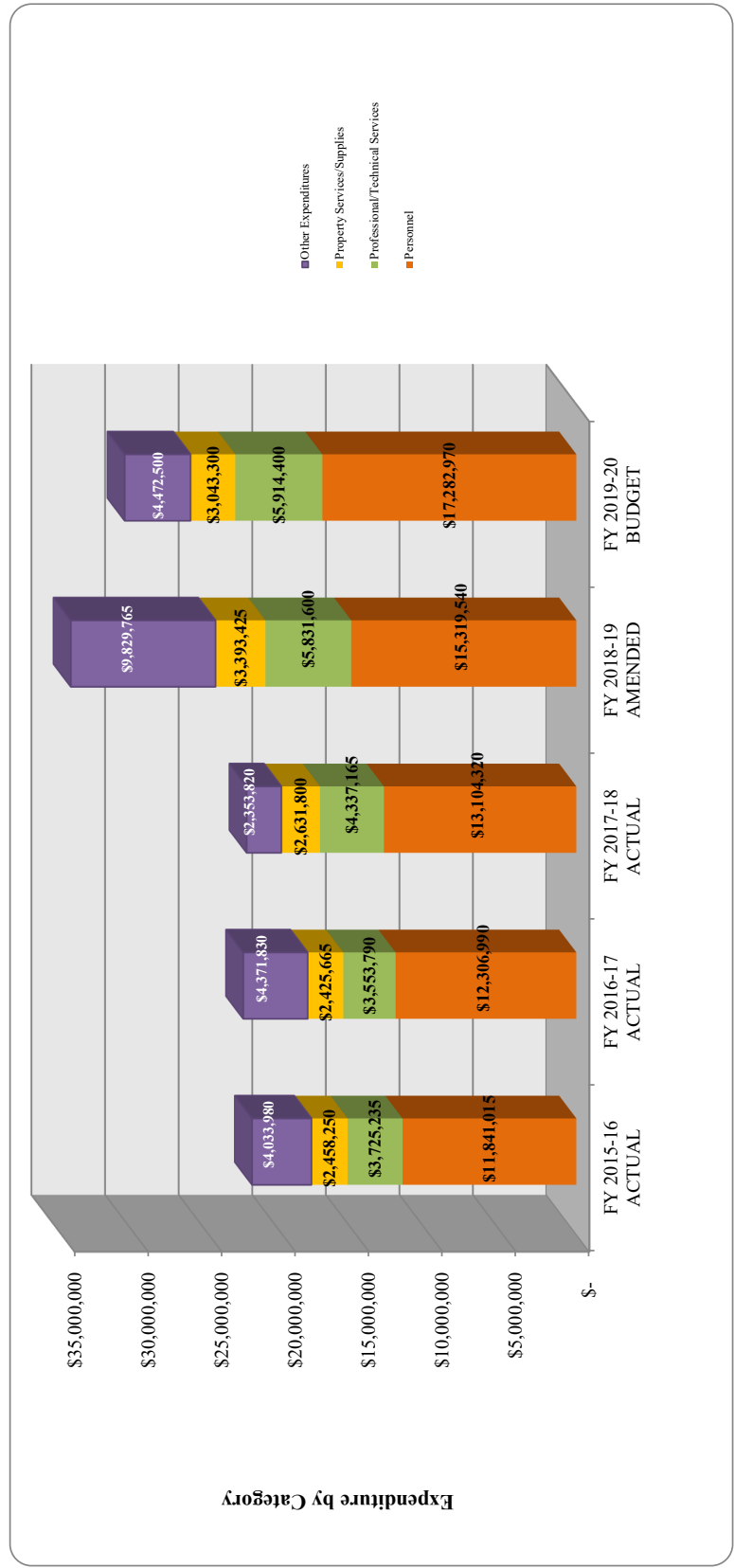
GENERAL FUND REVENUES BY MAJOR CATEGORY

	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 AMENDED	FY 2019-20 BUDGET
Property Tax	\$ 10,858,875	\$ 11,706,500	\$ 13,603,160	\$ 14,937,100	\$ 14,950,000
Sales Tax	\$ 4,364,560	\$ 3,942,800	\$ 5,876,740	\$ 5,800,000	\$ 5,900,000
Transient Occupancy Tax	\$ 2,247,300	\$ 2,324,990	\$ 2,471,955	\$ 2,350,000	\$ 2,300,000
Utility User Tax	\$ 1,516,105	\$ 1,520,020	\$ 1,680,280	\$ 1,540,000	\$ 1,570,000
Permit, Fees, & Charges for Services	\$ 3,339,665	\$ 3,441,010	\$ 3,991,395	\$ 4,168,000	\$ 4,745,500
Other Revenues and Transfers	\$ 2,307,565	\$ 865,765	\$ 1,473,220	\$ 1,512,080	\$ 1,059,500
Total General Fund Revenues	24,634,070	23,801,085	29,096,750	30,307,180	30,525,000



GENERAL FUND EXPENDITURES BY MAJOR CATEGORY

	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 AMENDED	FY 2019-20 BUDGET
Personnel	\$ 11,841,015	\$ 12,306,990	\$ 13,104,320	\$ 15,319,540	\$ 17,282,970
Professional/Technical Services	\$ 3,725,235	\$ 3,553,790	\$ 4,337,165	\$ 5,831,600	\$ 5,914,400
Property Services/Supplies	\$ 2,458,250	\$ 2,425,665	\$ 2,631,800	\$ 3,393,425	\$ 3,043,300
Capital, Transfers, Other Expenditures	\$ 4,033,980	\$ 4,371,830	\$ 2,353,820	\$ 9,829,765	\$ 4,472,500
Total General Fund Expenditures Before Allocations	\$ 22,058,480	\$ 22,658,275	\$ 22,427,105	\$ 34,374,330	\$ 30,713,170
Overhead Allocation to Other Funds	\$ (855,200)	\$ (738,490)	\$ (660,460)	\$ (658,235)	\$ (456,000)
Total Net General Fund Expenditures	\$ 21,203,280	\$ 21,919,785	\$ 21,766,645	\$ 33,716,095	\$ 30,257,170



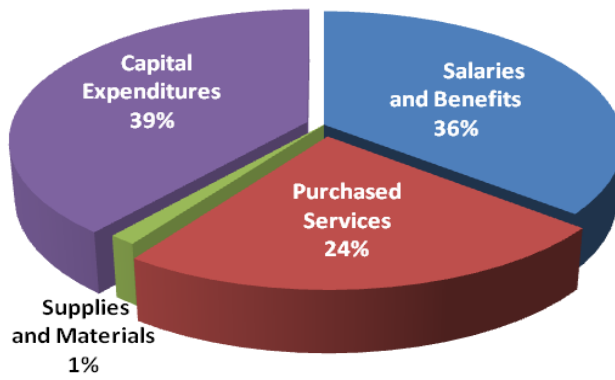
CITY COUNCIL

FY 2019-2020 Budget

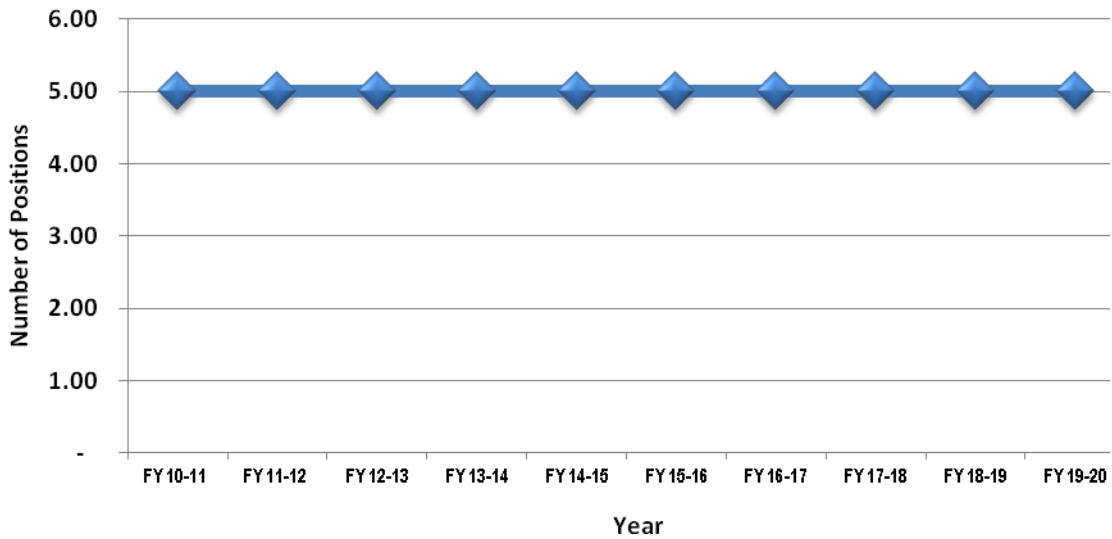
FY 2019-20

Operating	\$278,500
Positions	5

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



CITY COUNCIL

FY 2019-2020 Budget

Department Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	-	19,490	10,290	95,000	108,500
Use of Resources	95,950	101,435	119,940	163,500	170,000
Special Revenue Funds	-	-	-	-	-
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	95,950	120,925	130,230	258,500	278,500

EXPENDITURES BY DEPARTMENT

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
City Council	95,650	120,925	130,230	258,500	278,500
TOTAL	95,650	120,925	130,230	258,500	278,500

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	64,220	61,330	59,855	89,800	100,000
Subtotal	64,220	61,330	59,855	89,800	100,000
Supplies and Services					
Purchased Services	26,720	39,060	65,080	71,700	66,350
Supplies and Materials	4,710	1,048	4,010	2,000	3,650
Capital Expenditures	-	19,487	1,285	95,000	108,500
Other Expenditures	-	-	-	-	-
Subtotal	31,430	59,595	70,375	168,700	178,500
TOTAL	95,650	120,925	130,230	258,500	278,500

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Mayor	1.00	1.00	1.00	1.00	1.00
Vice Mayor	1.00	1.00	1.00	1.00	1.00
Council Member	3.00	3.00	3.00	3.00	3.00
TOTAL	5.00	5.00	5.00	5.00	5.00

CITY COUNCIL

FY 2019-2020 Budget

Department Summary

PURPOSE

The City Council develops and adopts policies that ensure delivery of quality public services to the people of East Palo Alto in order to create a healthy, safe, and prosperous environment.

A five-member Council governs City services for a population of approximately 30,915 residents. Each Council Member is elected at large and serves a four-year term. The Mayor is appointed by the members of the Council and serves a one-year term. The Council convenes in regular session on the 1st and 3rd Tuesdays of each month (except for a recess each year during the month of August), and often holds special meetings and work study sessions throughout the year. All of the meetings are held in the East Palo Alto (EPA) Government Center, located in the City Council Chamber at 2415 University Avenue, and, except those designated as Closed Sessions, all meetings are open to the public.

The Council adopts policies, resolutions and ordinances for City operations and ensures appropriate representation and response to citizen interests. The City Council appoints the City Manager and City Attorney, who report directly to them, and in turn, support the City Council in its policy development functions and carry out the City Council policies and programs.

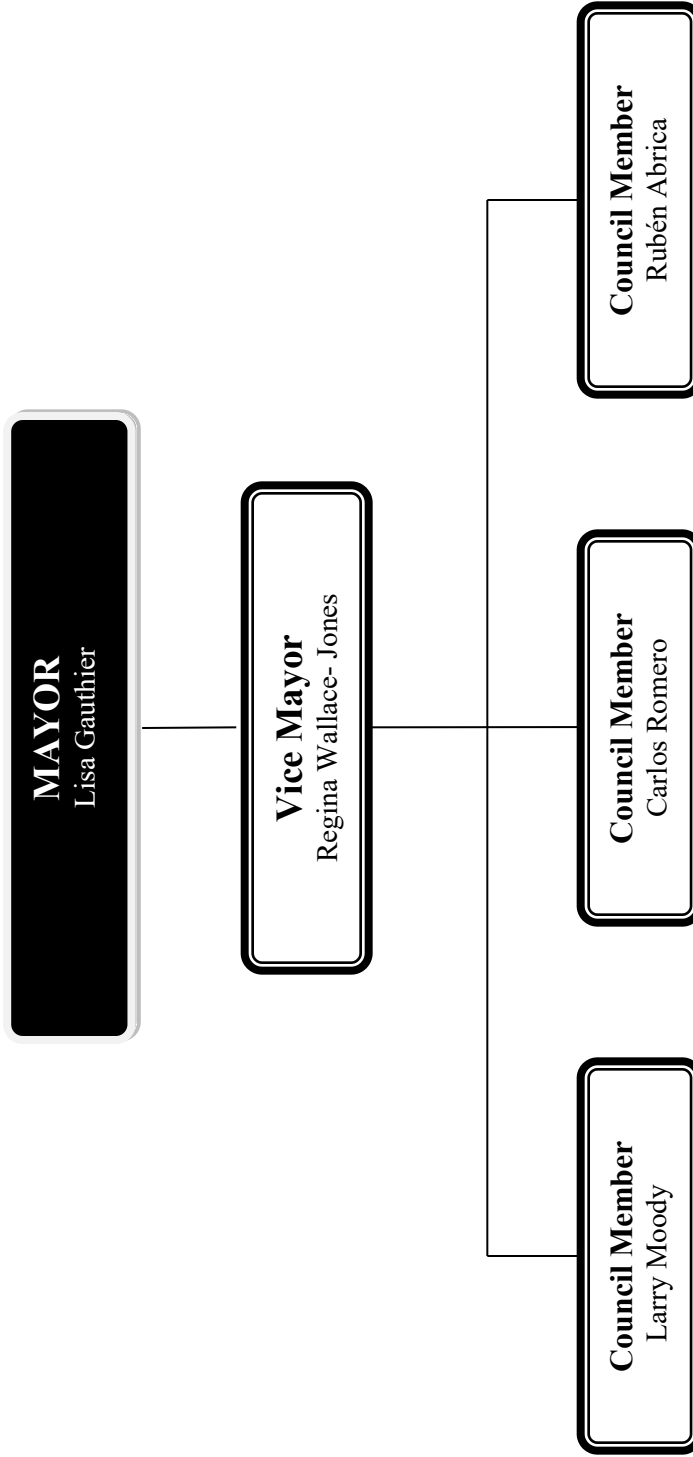
SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$20,000 (7.7%) from the Amended FY 2018-19 Budget to the Budget FY 2019-20 Budget is primarily attributed to capital costs for Council Chamber upgrades (\$108,500), and increased salary and health benefits costs (\$10,200).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$258,500		
2018-19 Amended	\$258,500	0	0.0%
2019-20 Budget	\$278,500	\$20,000	7.7%

CITY COUNCIL
FY 2019-2020 Budget



Total FTE's: 5

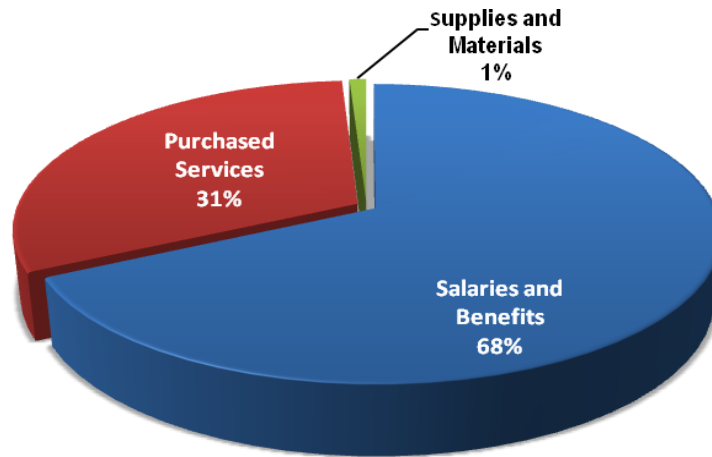
CITY ATTORNEY'S OFFICE

FY 2019-2020 Budget

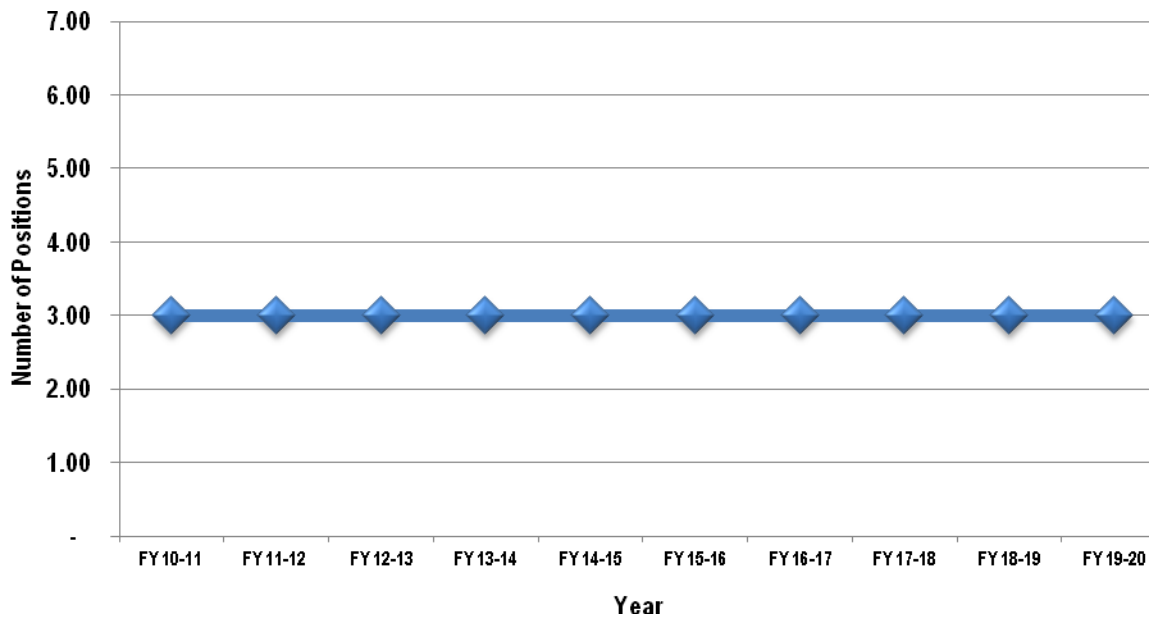
FY 2019-20

Operating \$ 862,800
Positions 3

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



CITY ATTORNEY'S OFFICE

FY 2019-2020 Budget

Department Summary

SOURCES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	24,940	31,850	28,940	50,000	40,000
Use of Resources	647,410	604,750	593,985	732,740	745,300
Special Revenue Funds	-	4,430	18,595	60,000	60,000
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	14,450	-	25,000	10,000
Successory Agency Trust Fund	-	1,250	-	-	7,500
TOTAL	672,350	656,730	641,520	867,740	862,800

EXPENDITURES BY DEPARTMENT	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
City Attorney's Office	672,350	656,730	641,520	867,740	862,800
TOTAL	672,350	656,730	641,520	867,740	862,800

CHARACTER OF EXPENDITURES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	390,497	385,605	488,010	539,300	584,400
Subtotal	390,497	385,605	488,010	539,300	584,400
Supplies and Services					
Purchased Services	275,555	263,280	143,730	319,440	270,400
Supplies and Materials	6,298	6,680	8,520	8,000	8,000
Capital Expenditures	-	1,165	1,260	1,000	-
Other Expenditures	-	-	-	-	-
Subtotal	281,853	271,125	153,510	328,440	278,400
TOTAL	672,350	656,730	641,520	867,740	862,800

AUTHORIZED STRENGTH	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
City Attorney	1.00	1.00	1.00	1.00	1.00
Deputy City Attorney I/II	1.00	1.00	1.00	1.00	1.00
Legal Secretary	1.00	1.00	1.00	1.00	1.00
TOTAL	3.00	3.00	3.00	3.00	3.00

CITY ATTORNEY'S OFFICE

FY 2019-2020 Budget

Department Summary

MISSION STATEMENT

Provide legal advice and representation, consistent with the highest professional and ethical standards, to the City Council, City officers, City employees, and appointed boards, commissions and committees in carrying out the City Council's policies and strategic goals and objectives, and advancing the City's interest in serving the people of East Palo Alto while limiting risk to the entity and costs to the taxpayers.

The role of the City Attorney's Office is to provide advisory and litigation services to the City, as represented by the City Council, City Council appointed boards, commissions and committees, and City departments. The office has a staffing level of 3 positions: City Attorney, Deputy City Attorney and Legal Secretary.

The emphasis in the Fiscal Year 2019-20 budget is the continued delivery of quality professional legal services which promote reliable and useful advice and effective advocacy. The basic services include attendance and advice at public meetings, drafting resolutions and ordinances, providing legal opinions and advice on a wide range of municipal topics, reviewing and drafting legal documents and contracts, providing advice regarding elected and appointed public officials' conflicts of interest, representing the City in litigation before courts and administrative agencies and settling claims and lawsuits based on an impartial evaluation of their merits.

Within each of the basic services provided, the City Attorney's Office undertakes projects that specifically address the City Council's Strategic Plan Goals and Objectives:

- Provide proactive legal advice to the City Council and City staff;
- Give opinions and draft documents that help achieve the City Council's Strategic Plan and the City Manager's priority action items;
- Advise on significant changes in state and federal law and other regulations impacting City operations and programs;
- Present Brown Act, Conflict of Interest, and Public Records Act training to the City staff, boards and commissions, and provide legal advice regarding the same;
- Defend the City's interest in court and administrative hearings and initiate legal action to protect the rights and enhance the quality of life of City residents;
- Provide objective and reasonable interpretation of City Council-adopted policies, state and local laws and other matters, as appropriate;
- Draft ordinances on topics designated as high priority by the City Council;
- Update, revise and add provisions to the Municipal Code and local zoning law as required;

CITY ATTORNEY'S OFFICE

FY 2019-2020 Budget

Department Summary cont.

- Work with the City Manager's Office to reduce exposure to claims, litigation and industrial injuries/illnesses;
- Support the Rent Stabilization Program, including providing legal advice to staff and the Rent Stabilization Board; preparing reports and analyzing appeals; updating program regulations; attending board meetings; and
- Support the Community and Economic Development Department, including providing legal advice to staff and the Planning Commission, attending Commission meetings and analyzing land use issues related to adopted development projects.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$40,000 (4.8%) from the Adopted FY 2018-19 Budget to the Amended FY 2018-19 Budget is due primarily to increases in outside legal services related to affordable housing activity.

The decrease of \$4,940 (-0.6%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget is due primarily to higher personnel costs (\$45,100) offset by reduced outside legal services.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$827,740		
2018-19 Amended	\$867,740	\$40,000	4.8%
2019-20 Budget	\$862,800	\$(4,940)	-0.6%

CITY ATTORNEY'S OFFICE

FY 2019-2020 Budget

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Attend and provide advice at City Council meetings.	1. Accomplished
2. Attend and provide advice at Planning Commission meetings.	2. Accomplished
3. Attend and provide advice at Rent Stabilization Board meetings.	3. Accomplished
4. Respond to <i>Pitchess</i> motions 100% of the time.	4. Accomplished
5. Represent the City in lawsuits and administrative hearings and pursue cost-effective resolution of pending litigation matters and the processing and settlement of claims filed against the City.	5. Accomplished
6. Provide legal advice to the Code Enforcement Division and file code enforcement actions as needed.	6. Accomplished
7. Provide legal advice to all City departments regarding responses to PRA requests.	7. Accomplished
8. Provide legal advice to all City departments regarding responses to subpoenas.	8. Accomplished
9. Draft, review and/or process all City contracts, agreements and other legal documents.	9. Accomplished
10. Assist the Community and Economic Development Department in establishing development impact fees for City Council adoption.	10. Accomplished
11. Provide training to all City boards, commissions and committees regarding the Brown Act, Public Records Act and conflict of interest laws.	11. Accomplished
12. Provide legal advice to the Human Resources Department and other City departments on employment matters.	12. Accomplished
13. Draft Measure HH, including the resolution calling and ordering submission of the special parcel tax to the electors; the ordinance imposing an annual parcel tax on certain commercial office reop property; and the city attorney impartial analysis.	13. Accomplished
14. Prepare an ordinance regulating indoor cannabis cultivation and prohibiting	14. Accomplished

CITY ATTORNEY'S OFFICE

FY 2019-2020 Budget

ACCOMPLISHMENTS

commercial cannabis.

- | | |
|---|------------------|
| 15. Assist in the preparation of an ordinance establishing a water capacity fee. | 15. Accomplished |
| 16. Prepare resolution establishing a Police Department reporting schedule for certain department policies. | 16. Accomplished |
| 17. Provide legal advice regarding the public bidding and administration of public works projects and provide legal advice regarding City procurement practices and policies. | 17. Ongoing |
| 18. Provide legal advice to Planning Division on major project applications. | 18. Ongoing |
| 19. Provide legal advice in conjunction with the new Development (Zoning) Code and new Subdivision Code. | 19. Ongoing |
| 20. Assist with the preparation of an ordinance update to density bonus provisions consistent with state law. | 20. Ongoing |

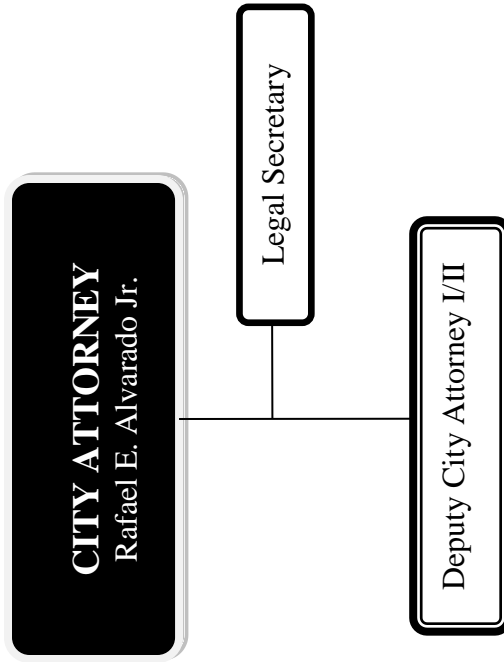
CITY ATTORNEY'S OFFICE

FY 2019-2020 Budget

OBJECTIVES

1. Attend and provide advice at City Council meetings, and provide the City Council an update of any changes in state law regarding public meetings and conflicts of interest.
2. Attend and provide advice at Planning Commission meetings.
3. Attend and provide advice at Rent Stabilization Board meetings.
4. Provide training to City boards, commissions and committees regarding the Brown Act, Public Records Act and conflict of interest laws.
5. Represent the City in lawsuits and administrative hearings and pursue cost-effective resolution of pending litigation matters and the processing and settlement of claims filed against the City.
6. Provide legal advice to all City departments regarding responses to PRA requests, record retention and subpoenas.
7. Draft, review, and process City contracts, agreements and other legal documents.
8. Support the City Council, Human Resources, and other City departments on labor and employment matters.
9. Assist development of an updated inclusionary housing ordinance.
10. Provide an update on housing legislation and/or new case law affecting issues of housing production, affordability, and the housing project approval process.
11. Provide legal advice to the City Council, Planning Commission and City departments on major project applications.
12. Assist implementation of Measure HH.
13. Recruit and hire a full time legal secretary.

CITY ATTORNEY'S OFFICE
FY 2019-2020 Budget



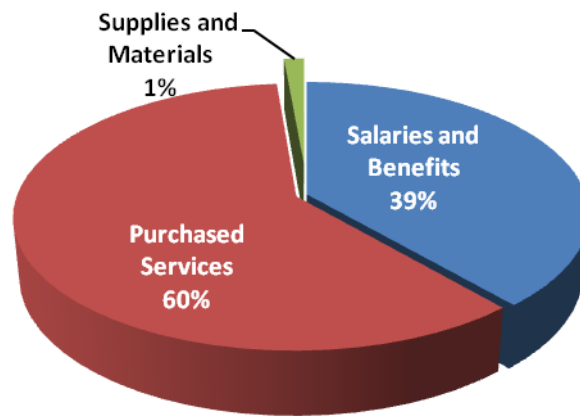
CITY CLERK'S OFFICE

FY 2019-2020 Budget

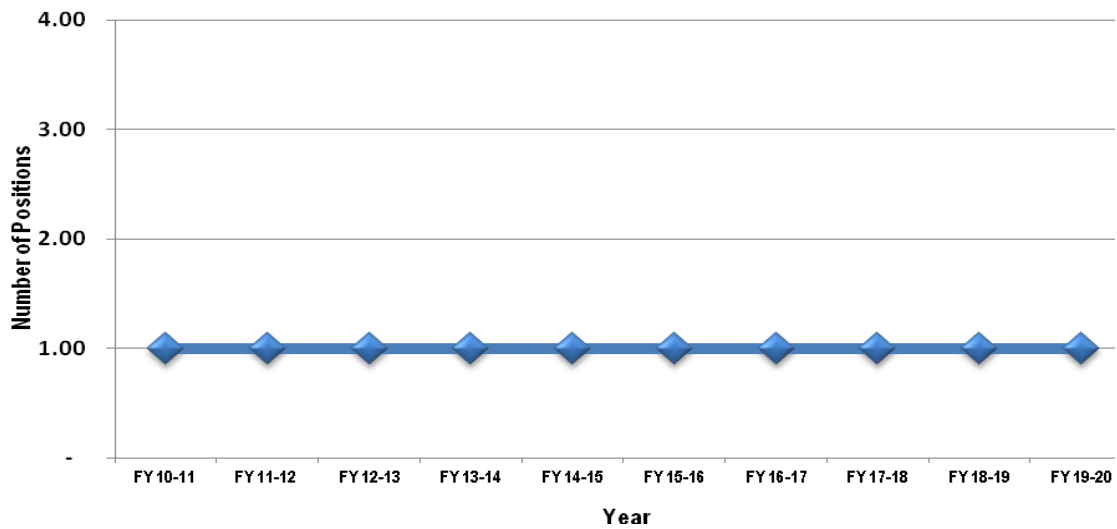
FY 2019-20

Operating	\$381,600
Positions	1

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



CITY CLERK'S OFFICE

FY 2019-2020 Budget

Department Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	-	-	-	100,000	140,000
Use of Resources	158,030	178,870	140,030	226,760	241,600
Special Revenue Funds	-	-	-	-	-
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	158,030	178,870	140,030	326,760	381,600

EXPENDITURES BY DEPARTMENT

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
City Clerk's Office	158,030	178,870	140,030	326,760	381,600
TOTAL	158,030	178,870	140,030	326,760	381,600

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	101,800	106,760	102,730	138,300	147,350
Subtotal	101,800	106,760	102,730	138,300	147,350
Supplies and Services					
Purchased Services	49,120	66,650	31,600	182,460	229,000
Supplies and Materials	6,570	5,460	5,700	6,000	5,250
Capital Expenditures	540	-	-	-	-
Other Expenditures	-	-	-	-	-
Subtotal	56,230	72,110	37,300	188,460	234,250
TOTAL	158,030	178,870	140,030	326,760	381,600

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
City Clerk	1.00	1.00	1.00	1.00	1.00
TOTAL	1.00	1.00	1.00	1.00	1.00

CITY CLERK'S OFFICE

FY 2019-2020 Budget

MISSION STATEMENT

The City Clerk's office is committed to provide our residents of East Palo Alto with accurate and transparent official City records and documents, dedicated to support the City Council and other City Departments with outstanding support; and work with the State of California and the Federal Government to ensure that compliance of these laws and regulations are observed.

Organization & Strategic Priorities

The City Clerk's Office functions under the sole position in Office with administrative support from the City Manager's Office.

The City Clerk is appointed by the City Council. The Clerk is responsible for facilitating the conduct of business by the City Council and fulfilling legal requirements as set forth in the City Code, federal and State laws. The City Clerk's Office administers City elections and campaign and financial disclosure laws. The City Clerk's Office maintains a record of all proceedings of the City Council; meets all requirements regarding public postings, legal advertising, recordation, and mailing of public hearing notices; it also processes appeals and administers the selection process for Council appointment of members to City board, commissions, and committees.

The City Clerk's Office provides administrative and travel assistance to Council, maintains the City Code, is the custodian of the City Seal, administers oaths or affirmations, and maintains the official record of City contracts and agreements.

The office also maintains official City records, assists with public records requests, and provides information to the public regarding the legislative operations of government.

Strategic Priorities

The City Clerk's priorities consist of the preparation and distribution of City Council agenda materials; taking, transcribing, and certifying minutes; maintaining the City's official records; monitoring and ensuring compliance with the California Fair Political Practices Commission (FFPC) requirements; and preparing ordinances for codification to the East Palo Alto Municipal Code. Other functions of the Office of the City Clerk include assisting City Council with travel and conference registration, responding to Public Records Act requests, scheduling and performing legally required activities for matters such as elections, publication of Notices of Hearings, attesting Oaths of Office, and recruiting residents of the City of East Palo Alto to the City's Boards, Committees, and Commissions. The priorities are driven by the direction and actions of the City Council.

The emphasis of the FY 2019-20 budget is to maintain levels of service to the public with a focus on accuracy and efficiency: (1) Plan, direct and coordinate functions and activities as directed by the City Council and City Manager's Office; (2) Continue to maintain the City's compliance with the State of California and the Federal Government pertaining to the Brown Act, Finance the Fair Political Practices under the Political Reform Act and the Public Records Act.

CITY CLERK'S OFFICE

FY 2019-2020 Budget

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Adopted:

The increase of \$54,840 (16.8%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget is due primarily to increased personnel costs (\$9,040) and digital scanning and translation services (\$50,000).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$326,760		
2018-19 Amended	\$326,760	\$0	0.0%
2019-20 Budget	\$381,600	\$54,840	16.8%

CITY CLERK'S OFFICE

FY 2019-2020 Budget

ACCOMPLISHMENTS

OBJECTIVES	RESULTS
1. Prepared for the 2018 Election and assisted Candidates with coordination of submittal of election documents and filing of Measure HH	Accomplished. Attended meetings with Mateo County Elections Office, and Fair Political Practice Commission in preparation for the conduct of November 6, 2018 election. Measure HH passed with close to 80% citizens vote; Also elected a new Council member and incumbent Ruben Abrica to Council.
2. Update the City Clerk's Website, Elections Webpage, and City Council Website	Accomplished. Ongoing updates onto city's website with new information on Election and Vote Centers
3. Continue the inventory of active and inactive City records eligible for destruction	Accomplished by destroying 178 boxes of Citywide documents in accordance with the records retention schedule.
4. To post and broadcast Special and Regular City Council Meeting agendas and videos on the City's website	Accomplished. Improving the process by posting videos onto website the day immediately after council meeting
5. Continue to provide public records to Public upon requested and within the Public Records Act response requirements.	Ongoing. Provided assistance in responding to 84 public records requests
6. Coordinate, prepare and distribute Council agenda materials and related documents	Ongoing. Provided support, preparation for 49 City Council meeting agenda packets and supporting materials
7. Maintain official City records and provide records management support services for all Departments	Ongoing. Working with other Departments to ensure compliance of City Retention Schedule is observed.
8. Notice Legal documents for public hearings, appeals and Ordinances	Ongoing. Coordinated publication of Notices of Hearings, coordinated Codification of Ordinances onto our City Code and City's MuniCode webpage

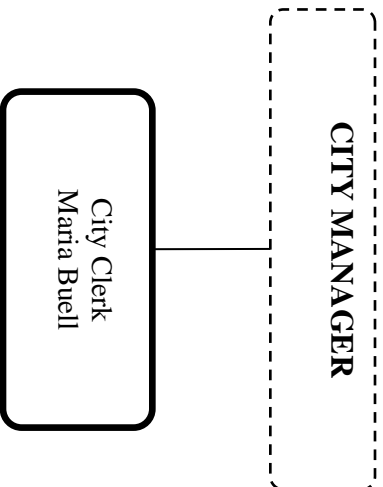
CITY CLERK'S OFFICE

FY 2019-2020 Budget

OBJECTIVES

1. Prepare for a smooth and systematic election process for the 2020 Presidential Election, and re-election of three Council seats. Attend San Mateo County Elections office meetings as they are coordinated in preparation for 2020 election.
2. Conduct a Request for Proposals to purchase/ maintain high efficiency citywide copiers.
3. Work with FUSE Fellow, IT and other staff in preparation for the full rehabilitation of Council chambers and Community room with new Audio/Video equipment for the broadcasting of City Council and Planning Commission meetings.
4. Hire a vendor to conduct a needs assessment on City-wide records and create a naming nomenclature to be adopted; hire crew to digitize all documents; and secure a safe storage location for City's archives.
5. Continue to prepare the launch of Granicus, the automated Agenda Management System, to creates an efficient workflow between City Departments for the agenda and staff reports to be compiled and posted onto the website via automation technology.
6. Continue the inventory of active and inactive records which may be eligible for destruction and/or proper retention pursuant to the records retention schedule.
7. Continue to provide training to Staff as needed on the policy, retention schedule, and legal destruction of inactive records; as well as the Public Records Act and Brown Act.
8. Ensure proper posting and noticing of agendas for public meetings/hearings to comply with Brown Act and to maintain open and transparent government.
9. Coordinate a seamless and systematic Advisory Body annual recruitment and appointment process; and conduct an orientation for them.
10. Continue to recruit applicants for various Council advisory bodies year-round or as vacancies occur.
11. Continue working with the City Council, Staff, and candidates to process various annual filings of Fair Political Practices Commission forms.
12. Continue informing the Media Center of upcoming City Council and Planning Commission meeting to schedule for public broadcasting.
13. Assist Council with registration for the 2019 Council of Cities' Dinner/Meetings and assist President Larry Moody with remainder 2019 calendar activities/conferences for CA League of Cities, Peninsula Chapter.
14. Update the City's Conflict of Interest Code, which includes working with the Human Resources Department to determine Staff's positions.
15. Continue to maintain official City records and provide support to all staff with records management support services
16. Continue to provide excellent response to our citizens with records, and other assistance.

CITY CLERK'S OFFICE
FY 2019-2020 Budget



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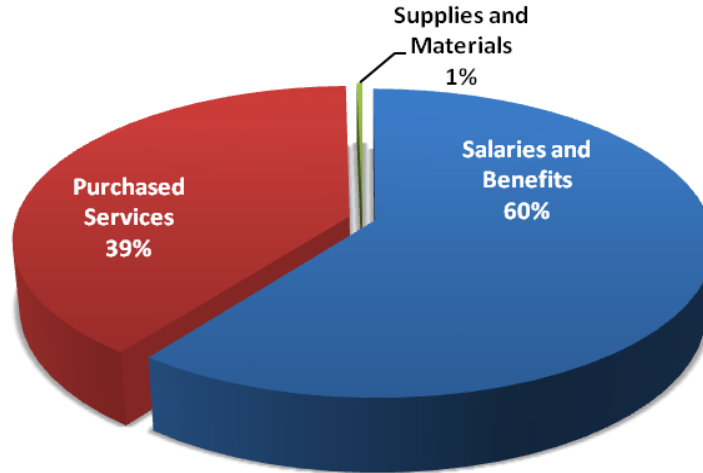
CITY MANAGER'S OFFICE

FY 2019-2020 Budget

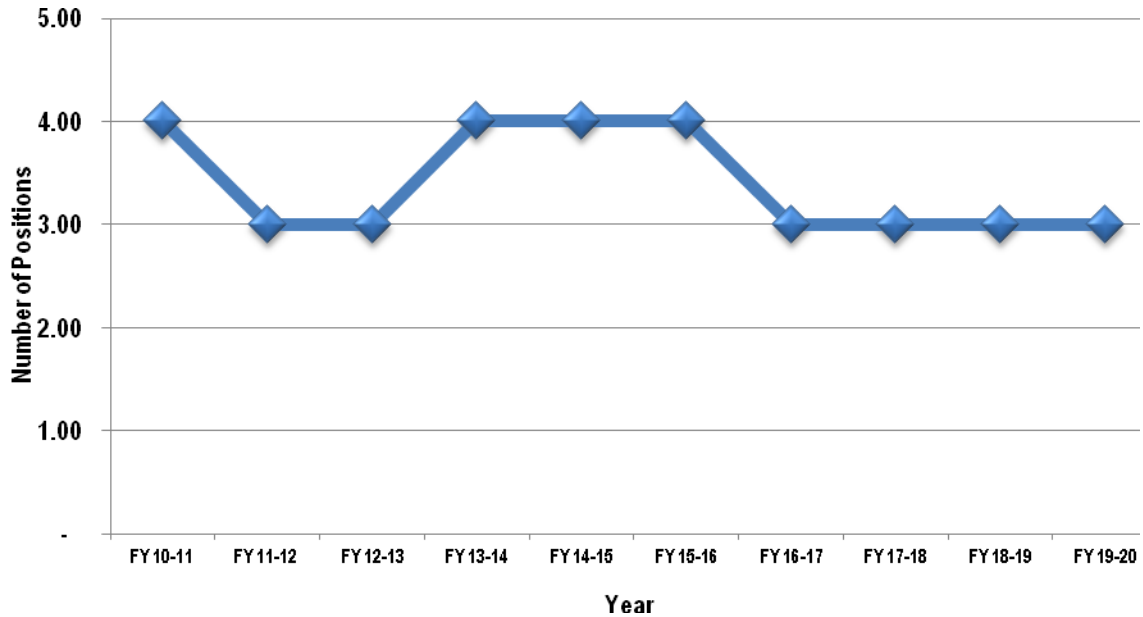
FY 2019-20

Operating \$1,185,000
Positions 3

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



CITY MANAGER'S OFFICE

FY 2019-2020 Budget

Department Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	-	-	3,960	-	-
Use of Resources	748,910	792,750	787,100	791,460	1,000,000
Special Revenue Funds	-	-	-	-	135,000
Capital Project Fund	-	-	-	189,300	50,000
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	15,630	-	-	-	-
TOTAL	764,540	792,750	791,060	980,760	1,185,000

EXPENDITURES BY DEPARTMENT

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
City Manager's Office	764,540	792,750	791,060	980,760	1,185,000
TOTAL	764,540	792,750	791,060	980,760	1,185,000

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	664,960	610,180	630,380	594,260	723,100
Subtotal	664,960	610,180	630,380	594,260	723,100
Supplies and Services					
Purchased Services	96,720	178,830	154,190	383,300	458,300
Supplies and Materials	2,860	3,740	6,490	3,200	3,600
Capital Expenditures	-	-	-	-	-
Other Expenditures	-	-	-	-	-
Subtotal	99,580	182,570	160,680	386,500	461,900
TOTAL	764,540	792,750	791,060	980,760	1,185,000

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
City Manager	1.00	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	1.00	1.00
Executive Assistant to City Manager	1.00	1.00	1.00	1.00	1.00
Office Assistant*	1.00	-	-	-	-
TOTAL	4.00	3.00	3.00	3.00	3.00

* Transferred to Administrative Services

CITY MANAGER'S OFFICE

FY 2019-2020 Budget

Department Summary

MISSION STATEMENT

The City Manager is responsible for ensuring the efficient delivery of municipal services, and is accountable to the City Council for the performance of the City organization. The City Manager also develops recommendations and strategies to meet the current and future needs of the East Palo Alto community, and to implement the Strategic Priorities of the City Council. Along with the City professional staff, the City Manager provides technical and administrative support and advice to the City Council in the performance of their duties.

The City Manager's Office is organized into the following programmatic functions: Administration and Policy Oversight, Legislative Analysis, Special Projects, and Organizational Effectiveness. The Office currently has an authorized direct staffing level of three positions.

The emphasis of Fiscal Year 2019-20 budget is to continue pursuing ways to expand our limited financial resources to maintain rapid police response times and the number of police officers patrolling neighborhood streets, upgrade our drinking water and storm drain infrastructure, repair and maintain our street, protect and create affordable housing, and other vital City services, to maintain and continue improving our residents' quality of life.

The City Manager's Office will continue oversight of the organization to provide a professional delivery of quality public services, efficient government, community health and safety, fiscal stability, organizational effectiveness and development, economic vitality, quality of life, and citizen involvement.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-20 Budget:

The decrease of \$6,240 (-0.6%) from the Adopted FY 2018-19 Budget to the Amended FY 2018-19 Budget is due to allocation of personnel vacancies to Community Development. The Department also internally utilized vacancy savings to fund additional costs of a Facilities Study (\$130,000).

The increase of \$204,240 (20.8%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget is due to fully budgeted personnel costs and oversight of additional studies related to communication outreach (\$75,000), police facility planning, and implementing a strategic plan for the Jobs Opportunity allocation of Measure HH (\$135,000).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$987,000		
2018-19 Amended	\$980,760	(\$6,240)	-0.6%
2019-20 Budget	\$1,185,000	\$204,240	20.8%

CITY MANAGER'S OFFICE

FY 2019-2020 Budget

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Maintain community priority of fiscal resiliency through adoption of balanced budgets.	1. A balanced budget was adopted in FY 2018-19, and is current being proposed for FY 2019-20.
2. Continue to use current public outreach information venues (e.g. East Palo Alto Proud quarterly newsletter, City Manager's Update newsletter, City website, e-mail blasts) and develop new means of communication.	2. On-going. The City Manager's Office continues producing the monthly Update newsletter, as well as the City's website, and the Nextdoor and OPENGOV applications.
3. Raise revenue for infrastructure.	3. Accomplished. The City adopted Water Capacity Fees, comprehensive Impact Fees, and applied for \$22 million Safer Bay Grant for levee, \$5 million EDA Grant for Bay Road, and \$20 million AHSC grant (\$2.75 million for Addison St green infrastructure).
4. Secure Water and end Water Moratorium	4. Water moratorium was lifted in July 2018.
5. Review progress of ongoing planning projects.	5. Within 4 months of the end of the moratorium, the City released two public draft EIRs (The Primary School and Sobrato Phase II) and a Mitigated Negative Declaration for Light Tree Apts.
6. Advance affordable housing.	6. The City adopted the Affordable Housing Strategy, selected developer for 965 Weeks, entitled Light Tree, submitted \$20m AHSC application for Light Tree, approved a 55-year affordability extension for Peninsula Park, and implemented the RV Safe Parking Pilot Program.
7. Strengthen Organizational Capacity.	7. The City completed tenant improvements at 1960 Tate Street, and initiated the Koff Study, the design of tenant improvements at City Hall, the Facility Master Plan, and the implementation of Granicus, ERP,

CITY MANAGER'S OFFICE

FY 2019-2020 Budget

ACCOMPLISHMENTS

- affordability extension for Peninsula Park, and implemented the RV Safe Parking Pilot Program.
8. Strengthen Organizational Capacity
8. The City completed tenant improvements at 1960 Tate Street, and initiated the Koff Study, the design of tenant improvements at City Hall, the Facility Master Plan, and the implementation of Granicus, ERP, affordability extension for Peninsula Park, and implemented the RV Safe Parking Pilot Program.
9. Supporting the City Council in developing and providing long term policy direction
9. The City Council adopted the Development Code, the Affordable Housing Strategy, and the City completed the ADA Transition Plan. The City started the Mobility Study, which will update the Transportation Demand Management Policy.
10. Enhance Public Safety
10. City reviewed options for use of Tasers and body-worn cameras, and proceeded with the purchase of body-worn cameras.

CITY MANAGER'S OFFICE

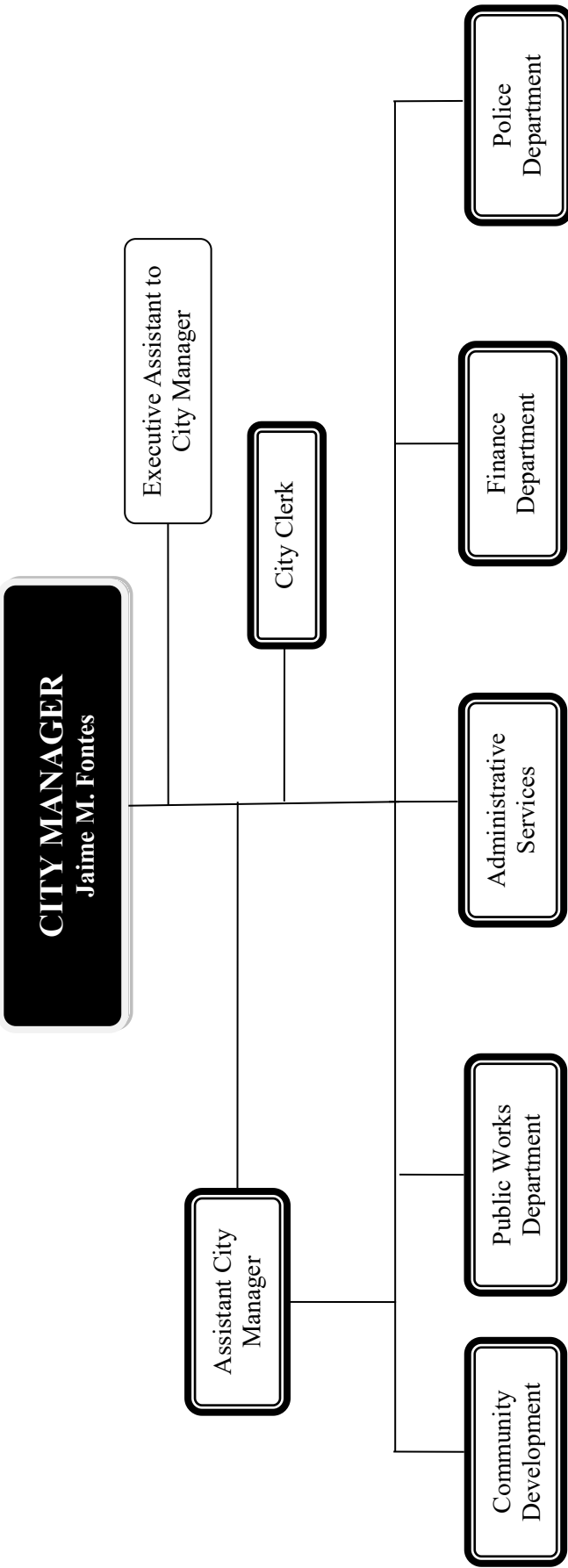
FY 2019-2020 Budget

OBJECTIVES

1. Present to the City Council a fiscal year 2020-2021 balanced budget and present options for strengthening the organization.
2. Continue to use current public outreach communication venues (e.g. City Manager's Update newsletter, City website, e-mail blasts) and develop new means of communication including a stronger social network presence.
3. Revise Strategic Planning cycle, and begin the 2020 Strategic Priorities Session in December.
4. Complete Union negotiations with all three bargaining units.
5. Strengthen organization through Granicus implementation and ERP Needs Assessment and timeline for implementation.
6. Work with City Council to design implementation program for Measure HH to improve job training opportunities and expand affordable housing.
7. Ensure that critical infrastructure projects progress, including Bay Road, Safer Bay Levee, Addison Street, Meter Replacement, and University Ave overpass.
8. Support current planning projects, affordable housing projects and initiatives, and key policy improvements such as update of Inclusionary Housing, update of TDM, and new Vehicle Miles Traveled policy.

CITY MANAGER'S OFFICE

FY 2019-2020 Budget



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ADMINISTRATIVE SERVICES DEPARTMENT

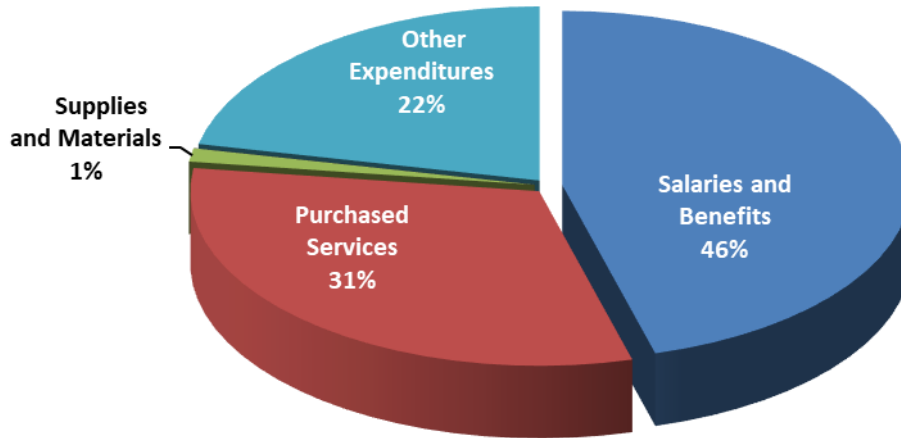
FY 2019-2020 Budget

FY 2019-20

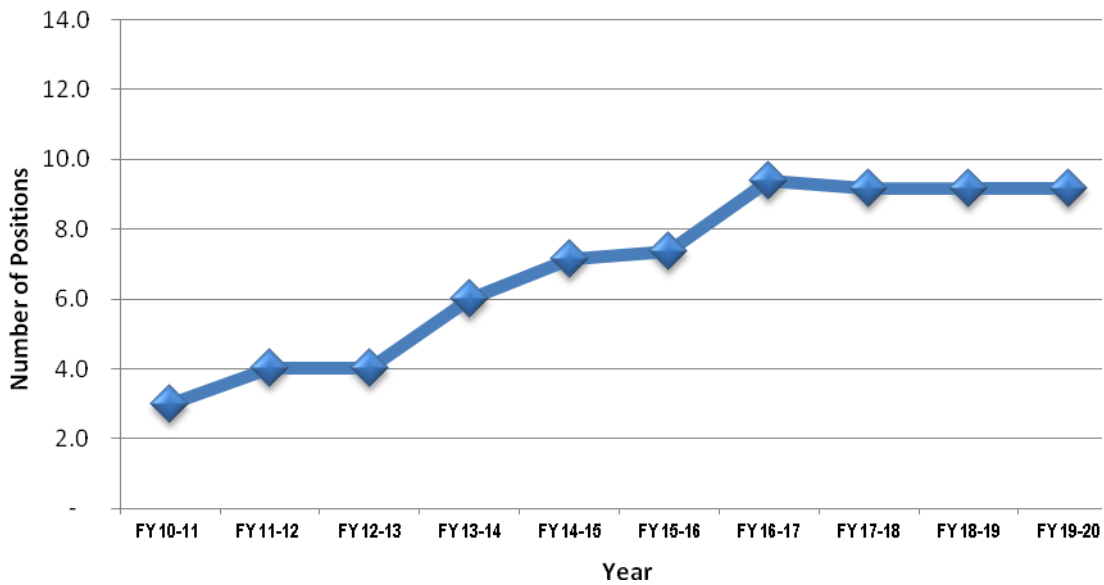
Operating \$ 2,472,750

Positions 9.15

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Department Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	27,940	30,570	54,885	45,500	40,000
Assigned Funds	283,265	354,260	402,150	440,000	600,000
Use of Resources	826,905	1,060,370	1,144,475	1,720,515	1,522,750
Special Revenue Funds	732,250	536,930	730,920	1,342,165	310,000
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	1,870,360	1,982,130	2,332,430	3,548,180	2,472,750

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	449,060	677,000	705,110	880,100	1,074,500
Community Services Division	1,036,570	884,780	1,218,860	2,021,640	863,800
Human Resources Division	384,730	420,350	408,460	646,440	534,450
TOTAL	1,870,360	1,982,130	2,332,430	3,548,180	2,472,750

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	659,430	865,520	931,370	1,064,355	1,130,300
Subtotal	659,430	865,520	931,370	1,064,355	1,130,300
Supplies and Services					
Purchased Services	609,160	511,959	592,030	928,475	776,900
Supplies and Materials	15,970	103,641	33,170	95,455	30,550
Capital Expenditures	15,980	-	74,410	-	-
Other Expenditures	569,820	501,010	701,450	1,459,895	535,000
Subtotal	1,210,930	1,116,610	1,401,060	2,483,825	1,342,450
TOTAL	1,870,360	1,982,130	2,332,430	3,548,180	2,472,750

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administrative Services Admin Division	1.00	3.00	3.00	3.00	3.00
Community Services Division	4.38	4.38	4.15	4.15	4.15
Human Resources Division	2.00	2.00	2.00	2.00	2.00
TOTAL	7.38	9.38	9.15	9.15	9.15

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Department Summary

MISSION STATEMENT

The Administrative Services Department consists of Community Programs, Information Technology, Human Resources, Administrative Contracts and Front Desk Reception. The mission of the Department is to manage the City's Human Resource functions, Park and Recreation activities, allocation of local grants through TOT Hotel Tax, information technology needs, administering and implementing the City's First Source Hiring program and developing workforce development strategies.

In general, the various divisions in the Administrative Services Department are in charge of a wide-range of functions, among them:

Community Programs (Manager + 6 staff)

- Managing park and limited recreation activities, City facilities, parks and public meeting areas;
- Managing the City's Senior Nutrition & Transportation Program;
- Coordinates and supports My Brother's Keeper Program
- Plans organizes Citywide celebrations and sponsored events
- Creates and implements various community programs like: anti-graffiti utility box art Project

Technology (Contract SR IT)

- Oversees all computer technology and telephone systems within City Hall and other City offices
- Manages body camera hardware and software applications for Police Department
- Maintains all City used hardware/software
- Manages the City's website
- Coordinates information regarding technology bids and procurements

Human Resources (Manager + 1 Staff)

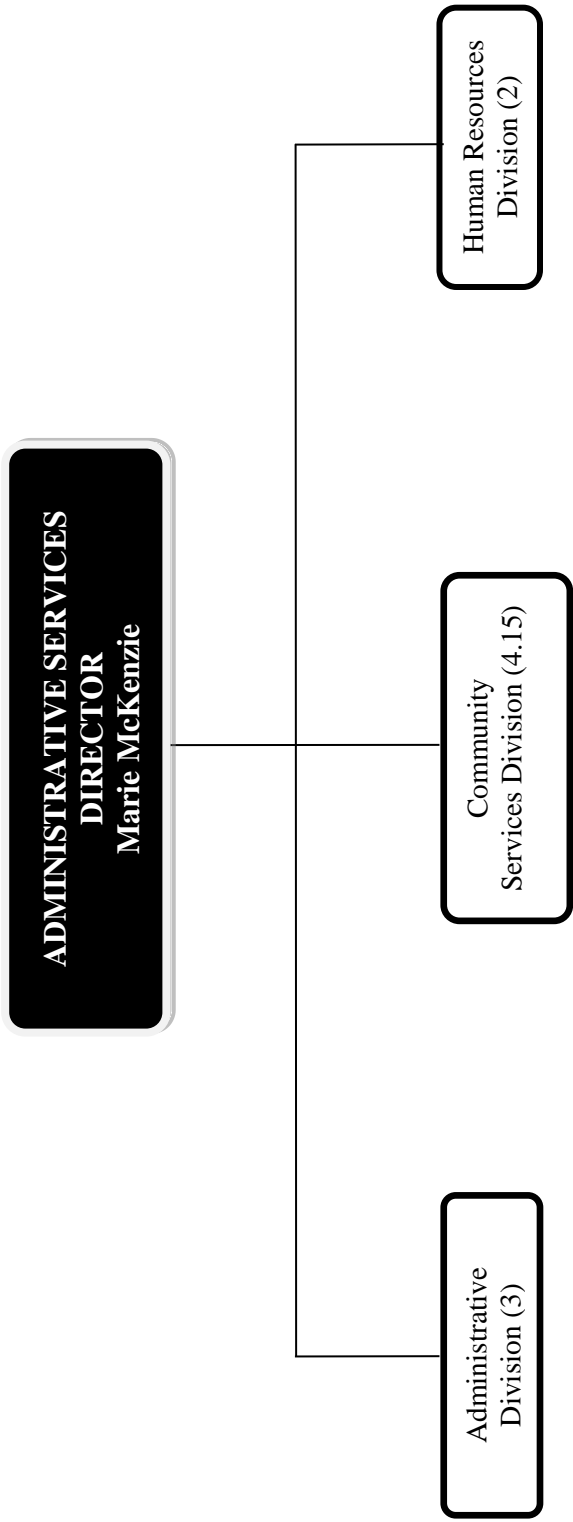
- Develops and administers personnel policies and procedures
- Manages Labor and Employee Relations, Classification and Compensation
- Leads Personnel Recruitment and Selection processes
- Supports Worker's Compensation program
- Administers benefit programs and support services for employer-employee relations activities
- Supervises the city Safety Team

Administration Director + 2 staff

- Administrative Contracts (Grants Coordinator)
City contracts administrative, compliance and local grant funding to CBO's
- Front Desk Reception
City Hall welcomes reception, phones, mail
- Staff Development
- PIO Contract Management
- First Source Hiring and Local Business Enterprise
- City Hall Interns
- Workforce Management and Development, and Succession Planning
- City's emergency response preparation and readiness and coordinating emergency response exercises and training with regional first responders agencies, City staff and the Community Emergency Response Team (CERT)

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget



ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Administration Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	283,265	354,260	324,460	440,000	600,000
Use of Resources	165,795	322,740	379,720	440,100	474,500
Special Revenue Funds	-	-	930	-	-
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	449,060	677,000	705,110	880,100	1,074,500

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	449,060	677,000	705,110	880,100	1,074,500
TOTAL	449,060	677,000	705,110	880,100	1,074,500

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	146,650	311,010	349,480	430,600	456,300
Subtotal	146,650	311,010	349,480	430,600	456,300
Supplies and Services					
Purchased Services	300,570	282,210	326,850	347,000	364,100
Supplies and Materials	1,840	83,780	3,670	2,500	4,100
Capital Expenditures	-	-	-	-	-
Other Expenditures	-	-	25,110	100,000	250,000
Subtotal	302,410	365,990	355,630	449,500	618,200
TOTAL	449,060	677,000	705,110	880,100	1,074,500

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administrative Services Director	1.00	1.00	1.00	1.00	1.00
Grants Coordinator*	-	1.00	1.00	1.00	1.00
Office Assistant**	-	1.00	1.00	1.00	1.00
TOTAL	1.00	3.00	3.00	3.00	3.00

* Position transitioned from Community Services.

** Position transferred from City Manager's Office.

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Administration Division Summary

SERVICE DESCRIPTION

The Administration Division of the Administrative Services Department directs small business and local hiring services for the community and manages administrative functions of the City, including Community Services, Human Resources, and Information Technology.

The Administrative Services Administration Division is organized into the following programmatic functions: Administration of the Information Technology (IT), Human Resources and Community Services division functions as well as direct administration of local business and hiring services. The Division currently has an authorized direct staffing level of three positions and Redwood City IT contract services equal to a full-time Senior IT technician.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budgeted:

The increase of \$75,000 (9.3%) from the Adopted FY 2018-19 Budget to the Amended FY 2018-19 Budget is due to appropriating developer-funded community grants (\$100,000), offset by a decrease of \$25,000 for ERP RFP services transferred to Finance for the ERP needs assessment.

The increase of \$194,400 (22.1%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget is primarily due to increased personnel costs (\$26,000) and increased developer-funded community grants (\$150,000) related to the EPA Arts Center community benefit payment.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$805,100		
2018-19 Amended	\$880,100	\$75,000	9.3%
2019-20 Budget	\$1,074,500	\$194,400	22.1%

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Administration Division Summary

ACCOMPLISHMENTS

OBJECTIVES	RESULTS
1. Maintain Staff development with new employee orientation, training and recognition	1. On-going
2. Oversee classification and compensation study.	2. Complete by July 2019.
3. Monitor and maintain active and specific employment support for East Palo Alto residents at the East Palo Alto Career Center	3. On going
4. Recruit hire and train new employees in ASD Community Programs Manager and Front Desk Receptionist	4. In progress
5. Launch new computer software, support city departments with training and direct delivery of specific back-end operations, Launch City website refresh. Start roll-out of desk-top computer replacement	5. Starts May 2019 and On-going
6. Provide consistent monitoring and compliance to city grants and local community grants	6. In progress
7. Conduct research for new First Source Hiring launch. Bring together First Source Hiring experts and community professionals to identify critical path for launch.	7. Starts September 2019
8. Promote Emergency Preparedness with staff trainings and coordinated exercises. Support Community Emergency Response Team (CERT) to provide critical planning and community training	8. In Progress

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Administration Division Summary

OBJECTIVES

1. Develop city protocols and policies for City's Administrative Services
2. Lead staff development and organizational management support
3. Manage Public Information services for the City
4. Maintain the First Source Hiring and Local Business Enterprise Program
5. Support development and best practices of East Palo Alto Career Center
6. Implement contract management/compliance and non-profit grant funding and program development
7. Provide small business assistance and support through community partners.
8. Plan organize and implement IT services for the city
9. Support development and implementation of My Brother's Keeper Program
10. Facilitate union negotiations and labor relations

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Community Services Division

Division Summary

SOURCES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	27,940	30,570	54,885	45,500	40,000
Assigned Funds	-	-	74,420	-	-
Use of Resources	276,380	317,280	359,565	633,975	513,800
Special Revenue Funds	732,250	536,930	729,990	1,342,165	310,000
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	1,036,570	884,780	1,218,860	2,021,640	863,800

EXPENDITURES BY DIVISION	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Community Programs	808,680	651,300	860,960	1,670,400	515,000
Senior Programs	227,890	233,480	357,900	351,240	348,800
TOTAL	1,036,570	884,780	1,218,860	2,021,640	863,800

CHARACTER OF EXPENDITURES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	255,250	273,300	277,890	327,455	343,200
Subtotal	255,250	273,300	277,890	327,455	343,200
Supplies and Services					
Purchased Services	186,550	94,610	172,580	245,335	213,200
Supplies and Materials	8,970	15,860	17,640	88,955	22,400
Capital Expenditures	15,980	-	74,410	-	-
Other Expenditures	569,820	501,010	676,340	1,359,895	285,000
Subtotal	781,320	611,480	940,970	1,694,185	520,600
TOTAL	1,036,570	884,780	1,218,860	2,021,640	863,800

AUTHORIZED STRENGTH	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Community Programs Manager	1.00	1.00	1.00	1.00	1.00
Recreation Leader II (2 PT)	1.00	1.00	0.90	0.90	0.90
Van Drivers (2-PT)	1.00	1.00	1.00	1.00	1.00
Nutrition Site Supervisor (PT)	0.63	0.63	0.75	0.75	0.75
Kitchen Aide (PT)	-	-	0.50	0.50	0.50
Measure C Coordinator (LTD)*	0.75	0.75	-	-	-
TOTAL	4.38	4.38	4.15	4.15	4.15

* Position transitioned to Grants Coordinator in Administrative Services.

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Community Services Division Summary

SERVICE DESCRIPTION

The Community Services Division provides research and analysis on a broad range of issues and policies, and manages a variety of special projects. The Division also oversees special events, park and recreations, facility rentals and park permits, City franchise agreements and City services agreements.

Under the direction of the Administrative Services Director, the Division is staffed with:

- 1 Community Programs Manger
- 2 part-time Recreation Leaders
- 1 part-time Nutrition Site Supervisor
- 1 part-time Kitchen Aide
- 2 part-time Van Drivers

The Community Services Division activities rely on interdepartmental, inter-jurisdictional, and community partnerships to deliver services that enhance the quality of life for East Palo Alto residents with a focused effort on increasing community engagement. During Fiscal Year 2019-20, the Division's objectives include:

- 1) Managing special events
 - Plan, organize and implement Citywide events, celebrations and sponsorships
- 2) Managing the City's recreation efforts and use of parks and facilities:
 - Identify and implement opportunities to leverage technology to improve operations (online processing of applications, online calendar, internal tracking/reporting system, etc.)
 - Implement community event (City Openings, movies, concerts, parades, city anniversary, cultural and Children's events) in the parks.
 - Solicit a operator manager for Cooley Landing Environmental Education Center
 - Review, revise and report park and facilities rental/user fees
- 3) Provide a Senior Nutrition and Transportation Program
 - Maintain program's good standing with the San Mateo County Office of Aging and Adult Services (OAAS)

Other Responsibilities

- The Community Services Division provides staffing support to the following committee: Senior Advisory Board
- Recruit to fill vacancies with committed residents that represent the myriad of skill/talent, community senior interests, and cultural diversity of the community

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Community Services Division Summary

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budgeted:

The increase of \$850,140 (72.6%) from the Adopted FY 2018-19 Budget to the Amended FY 2018-19 Budget is primarily due to increased community and senior grant funding (\$830,000) as Council winds down the Measure C funding source.

The decrease of \$1,157,840 (-57.3%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget is due to reduced community grant and program funding (\$1,095,000), and removing the prior year appropriation for outside operator costs for Cooley Landing Park (\$75,000).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$1,171,500		
2018-19 Amended	\$2,021,640	\$850,140	72.6%
2019-20 Budget	\$863,800	(\$1,157,840)	-57.3%

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Community Services Division

ACCOMPLISHMENTS

OBJECTIVES	RESULTS
1. Plan, organize and implement citywide events, celebrations and sponsored activities.	1. On Going
2. Hire and train Recreation Leaders to open and close city facilities and parks as needed	2. On Going
3. Develop a revised field use fee and new park and field use policies for City Council adoption.	3. Completed
4. Maintain Senior Nutrition Program's good standing with the San Mateo County Office of Aging and Adult Services (OAAS)*	4. In Progress
5. Develop yearly grant agreements with Senior Center, Inc. for operations and programming at the Senior Center	5. In Progress
6. Evaluate opportunities to enhance bus ridership and nutrition program participation	6. In Progress
7. Evaluate other potential models for providing senior wellness activities and classes	7. In Progress
8. Solicit a qualified operator manger for Cooley Landing	8. In Progress
9. Revamp content and forms on Community Programs section of the City's website	9. In Progress
10. Create and implement Graffiti Utility Box Project with EPA Youth	10. In Progress
11. Implement My Brother's Keeper (MBK) Initiative and launch website	11. In Process

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Community Services Division

OBJECTIVES

1. Plan, organize and implement citywide events, celebrations and sponsored activities.
2. Solicit a qualified operator manager for Cooley Landing Environmental Education Center
3. Implement My Brother's Keeper (MBK) Initiative and launch website
4. Maintain Senior Nutrition Program's good standing with the San Mateo County Office of Aging and Adult Services (OAAS)*
5. Solicit a qualified operator manager for the Cooley Landing Park
6. Evaluate opportunities to enhance senior ridership and participation in nutrition programs
7. Evaluate potential senior center program models
8. Strengthen the Senior Congregate Nutrition and Transportation programs participation and education
9. Revamp content and forms on Community Programs section on the City Website
10. Plan design and deliver Graffiti Utility Box Project with East Palo Alto Youth

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ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Human Resources Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	-	-	3,270	-	-
Use of Resources	384,730	420,350	405,190	646,440	534,450
Special Revenue Funds	-	-	-	-	-
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	384,730	420,350	408,460	646,440	534,450

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Human Resources Division	384,730	420,350	408,460	646,440	534,450
TOTAL	384,730	420,350	408,460	646,440	534,450

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	257,530	281,210	304,000	306,300	330,800
Subtotal	257,530	281,210	304,000	306,300	330,800
Supplies and Services					
Purchased Services	122,040	135,140	92,600	336,140	199,600
Supplies and Materials	5,160	4,000	11,860	4,000	4,050
Capital Expenditures	-	-	-	-	-
Other Expenditures	-	-	-	-	-
Subtotal	127,200	139,140	104,460	340,140	203,650
TOTAL	384,730	420,350	408,460	646,440	534,450

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Human Resources Manager	1.00	1.00	1.00	1.00	1.00
Human Resources Assistant	1.00	1.00	1.00	1.00	1.00
TOTAL	2.00	2.00	2.00	2.00	2.00

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Human Resources Division Summary

SERVICE DESCRIPTION

The Human Resources Division provides quality services to the City Council, City Staff, and potential employees on a range of HR issues. Our goal is to attract the most diverse, competent, professional, and talented workforce. We provide policy direction and consultation; maintain equitable and competitive salaries and benefits; coordinate required training programs for City employees; manage the worker's compensation program and safety programs for our employees; evaluate department and organizational operations and structures and solve problems as well as respond to organizational needs; and last, but not least, maintain positive labor relations between all bargaining units and the City.

The Human Resources Division (HR) is within the Administrative Services Department. Two positions are assigned to the Division: Human Resources Manager, and Human Resources Assistant.

Core functions of the Human Resources Division include:

- Recruiting new staff and filling vacant positions;
- Provides labor negotiations to three bargaining units; meet and confer with labor representatives to cultivate positive relationships, interpret policies and procedures and resolve issues;
- Developing and implementing employee wellness policies and programs;
- Managing personnel issues, including evaluations, salary step increases, grievances, exit interviews for resignations, and retirement;
- Conducting new hire orientation;
- Ensuring staff development and training opportunities;
- Managing employee medical, life, and retirement benefits.

HR's emphasis for the Fiscal Year 2019-2020 is to continue working to achieve the City of East Palo Alto's strategic mission while ensuring City employees are engaged and motivated to help East Palo Alto residents, businesses, organizations, and visitors. This will be accomplished by identifying issues and executing corrective measures effectively.

HR will enhance customer service skills throughout the City by utilizing a team approach, building business partner relationships with all departments, and further utilizing HR resources. The Human Resources team has targeted its operation initiatives to align to the City Council's Strategic Plan by initially identifying ways to recognize our hard working staff and develop training programs as well as welcome our new hires to our great moving City. The HR Division's goal is to be a results-oriented business partner providing support to all levels of the City. Hire the best people, while offering development and training to our existing staff.

The focus this year is continue to work together with all levels of the City to create an environment that makes our team feel like an asset to our City. Generate a quarterly newsletter that includes information about our successes and accomplishments. Continue to have an open and honest work environment and provide opportunities for our team members to grow and learn. Communicate to our employees that there

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Human Resources Division Summary

is always room for advancement in the City. Job satisfaction is a priority for the City, which will increase our employee retention. Human Resources will continue to work and get input about rules or changes that may need to be made.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Adopted:

The increase of \$85,500 (15.2%) from the Adopted FY 2018-19 Budget to the Amended FY 2018-19 Budget is primarily due to unplanned additional cost of compensation study (\$61,500) and recruitment for City Manager position (\$24,000).

The decrease of \$111,990 (-17.3%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget is primarily due to reductions for one-time studies and recruitments performed in FY 2018-19 (\$135,500), offset by personal cost increases (\$24,500).

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$560,940		
2018-19 Amended	\$646,440	\$85,500	15.2%
2019-20 Budget	\$534,450	\$(111,990)	-17.3%

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Human Resources Division

ACCOMPLISHMENTS

OBJECTIVES	RESULTS
1. Continue to recruit the best qualified candidates and fill vacant positions as quickly and as efficiently as possible	1. On-going
2. Meet and confer with three (3) employee bargaining units about the new and revised Personnel Policies and Procedures Manual	2. Accomplish by July 2019.
3. Work with Consultant to complete the Classification and Compensation study.	3. In progress
4. Conduct labor negotiations with all three (3) employee bargaining units.	4. To begin in May 2019
5. Conduct new hire orientations at least 4 times a year and provide employee recognition to all levels of the city.	5. On-going
6. Support and promote the Employee Assistance Program include scheduled training modules.	6. In progress
7. Conduct an audit of all employee personnel files and I-9 and meet with each individual employee in order to update their beneficiaries.	7. On-going
8. Develop training workshops (in-house and outside) such as: customer service, diversity, team building, compliance, effective communication, computer training, etc.	8. In Progress

ADMINISTRATIVE SERVICES DEPARTMENT

FY 2019-2020 Budget

Human Resources Division

OBJECTIVES

1. Continue to recruit new staff and fill vacant positions as needed..
2. Manage labor negotiations with all three (3) bargaining units.
3. Meet and confer with employee bargaining units about policies and programs to assist with employee retention and resolve issues.
4. Provide leadership and implementation of all types of training to all levels of the City.
5. Review and update Personnel Policies and Procedures Manual and meet and confer with employee bargaining units prior to City Council final approval.
6. Implement and develop a recognition awards program for City staff to recognize their hard work.
7. Conduct an Employee Satisfaction Survey with all City Staff and conduct meetings to discuss results and plan of action that will be taken regarding feedback provided.
8. Comply with all Federal and State laws in order to protect the City.

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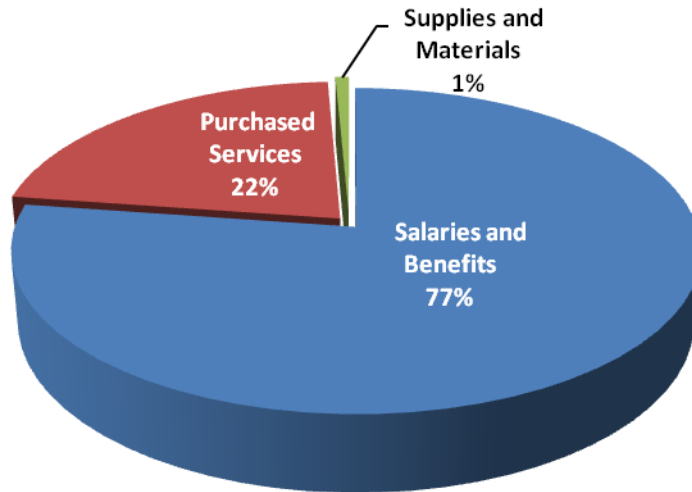
FINANCE DEPARTMENT

FY 2019-2020 Budget

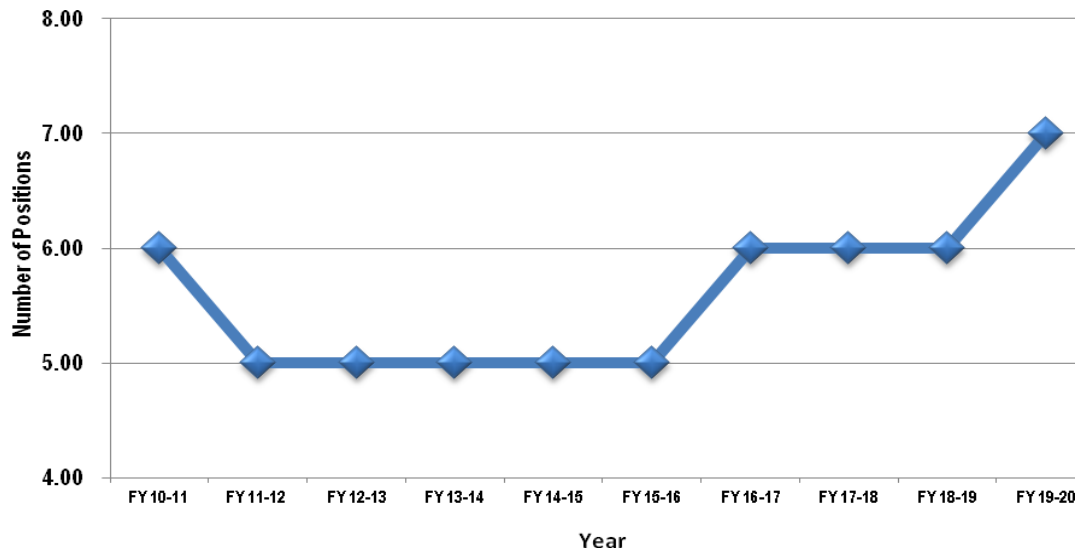
FY 2019-20

Operating	\$1,368,800
Positions	7

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



FINANCE DEPARTMENT

FY 2019-2020 Budget

Department Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	-	-	5,760	25,000	204,300
Use of Resources	901,420	820,540	922,540	1,220,180	1,136,900
Special Revenue Funds	3,090	1,430	2,080	5,070	4,100
Capital Project Fund	-	-	-	-	-
Enterprise Funds	2,430	14,490	5,860	33,000	20,000
Succesory Agency Trust Fund	4,690	6,030	5,600	5,000	3,500
TOTAL	911,630	842,490	941,840	1,288,250	1,368,800

EXPENDITURES BY DEPARTMENT

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Finance Department	911,630	842,490	941,840	1,288,250	1,368,800
TOTAL	911,630	842,490	941,840	1,288,250	1,368,800

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	629,620	609,900	767,610	927,250	1,057,800
Subtotal	629,620	609,900	767,610	927,250	1,057,800
Supplies and Services					
Purchased Services	269,230	222,770	158,320	348,600	301,000
Supplies and Materials	10,130	8,200	10,140	11,200	10,000
Capital Expenditures	2,650	1,020	5,770	1,200	-
Other Expenditures	-	600	-	-	-
Subtotal	282,010	232,590	174,230	361,000	311,000
TOTAL	911,630	842,490	941,840	1,288,250	1,368,800

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Finance Director	1.00	1.00	1.00	1.00	1.00
Financial Services Manager	-	1.00	1.00	1.00	1.00
Payroll/ HRIS Analyst	-	-	-	1.00	1.00
Accountant II (UF)*	2.00	2.00	2.00	1.00	1.00
Account Technician I/II	1.00	2.00	2.00	2.00	2.00
SR Finance Project Manager- LTD	-	-	-	1.00	1.00
Fiscal Analyst	1.00	-	-	-	-
TOTAL	5.00	6.00	6.00	7.00	7.00

* Currently underfilled as Accountant I

FINANCE DEPARTMENT

FY 2019-2020 Budget

Department Summary

MISSION STATEMENT

Maintain the financial integrity of the City by providing fiscal management and oversight, including safeguarding assets. Oversee financial, compliance, and operational reviews and/or audits that provide independent and objective analysis of City departments; provide accurate, complete, and timely financial records, maintain and enhance the City's financial reporting systems, controls, and disbursements.

The functions of the Finance Department are: administration, financial reporting, budgeting, forecasting and planning, cash management and treasury, capital financing and debt management; as well as daily accounting functions, including: deposits and accounts payable; payroll; risk management, and business licensing. The department has a staffing level of seven positions, including: Finance Director, Financial Services Manager, PR/HRIS Analyst, Accountant II, two (2) Account Technicians I/II, and a limited duration Senior Finance Project Manager.

The Finance Department emphasis has focused on goals primarily targeted toward organization-wide issues that improve organizational risk mitigation, financial stability and technical resiliency planning rather than projects that are directly related to needed improvements and enhancements inside the Finance Department. The Department considers that it is critical to focus on several areas of internal and citywide procedural and technology information process improvements, and also, institute and improve important ordinance and Council policy documents in order to set risk and financial policies and practices for the future. These initiatives were delayed due to a number of previously unplanned initiatives and organizational changes – including passage of Affordable Housing Measure HH in November 2018.

The current Finance objectives span a two-year period between FY 19-20 and 20-21 depending upon capacity and Council priority of objectives. Major areas of emphases are: (a) completing financial studies aimed at revenue improvement and reducing General Fund support of certain programs; (b) improving the quality of financial analytics and practices in financial management and risk mitigation strategies, and (c) initiating organizational technology improvements.

Implementing, Securing, and Stabilizing Local Resources

This focus area includes:

- Comprehensive Master Fee Study
- Improved cash and investment analytics
- Support studies for infrastructure and/or district tax funding for storm water, storm drain systems (budgeted in Public Works)

Improving Financial Analytics, Practices, and Risk Mitigation Strategies

This focus area includes:

- Risk-based Analysis of General Reserves Study
- Infrastructure Risk and Reserve Study
- Study strategies for pre-funding CalPERS pension liabilities
- Update or Implement Policies: Reserves, Investments, Debt
- Initiate Disaster Planning and Recovery

FINANCE DEPARTMENT

FY 2019-2020 Budget

Department Summary

Organizational Technology Improvements

This focus area includes:

- Utilizing Office 360 to improve communication of Finance internal control policies, procedures, and training instruction.
- Performing an ERP Needs Assessment to plan and prioritize critical, historical lack of progress and investment in major technology infrastructure.
- Potential outsourcing of Business License Tax application and renewal.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$145,050 (12.7%) from the Adopted FY 18-19 Budget to the Amended FY 18-19 Budget is primarily due to the approval of a limited duration Senior Financial Project Manager, and increased professional services for two unplanned objectives: (1) due diligence related to transfer of water lease to Veolia; and, (2) transfer of appropriation for technology needs assessment.

The increase of \$80,550 (6.3%) from the Amended FY 18-19 Budget to the FY 19-20 Budget is due to personnel cost increases (\$130,550) primarily due to a full year of the limited duration position and several newly filled positions earning annual step increases; offset by a reduction in appropriated professional services (\$47,600), as several of the studies entered into in FY 2018-19 will carry into FY 2019-20.

Fiscal Year (FY)	Budget	\$ Change From Previous	% Change From Previous
2018-19 Adopted	\$1,143,200		
2018-19 Amended	\$1,288,250	\$145,050	12.7%
2019-20 Budget	\$1,368,800	\$80,550	6.3%

FINANCE DEPARTMENT

FY 2019-2020 Budget

ACCOMPLISHMENTS

OBJECTIVES	RESULTS
1. Prepare and adopt the FY 2018-19 Budget by June 30, 2018	1. Accomplished
2. Complete FY 2017-18 Comprehensive Annual Financial Report and submit application to Government Finance Officers Association (GFOA) for excellence in financial reporting award by December 31, 2018	2. Accomplished
3. Study a number of options to consider a tax on development	3. Presented numerous studied options culminating in Measure HH Parcel Tax
4. Complete Update of Cost Allocation Plan	4. Expected June 2019
5. Complete major, comprehensive improvement in Master Fee Study	5. Expected October 2019
6. Present Council Study Session on Reserve Policy and Current Reserves	6. Accomplished
7. Initiate comprehensive risk reserve analysis	7. Studies initiated May 2019
8. Develop and manage agreed-upon procedures process for potential lease agreement transfer from American Water to Veolia.	8. Accomplished
9. Transition from ABAG to PLAN JPA, serve on Board of Directors and Claims Committee	9. Accomplished
10. Perform analysis and due diligence regarding AWE Water Rate Relief request and Proposition 218 Process	10. Unplanned, Accomplished
11. Improve cash management, daily tracking, and developing cash projection data	11. Accomplished
12. Improve daily cash deposits, reconciliation, and input process	12. Accomplished
13. Build and manage contract and purchase order procedures and tracking system on Office 360	13. Unplanned, Accomplished
14. Procedural implementation of Measure HH	14. In Process
15. Support fiscal analysis of Affordable Housing strategic initiatives	15. Unplanned, Accomplished
16. Support City Manager strategic initiatives during interim management period	16. Unplanned, Accomplished

FINANCE DEPARTMENT

FY 2019-2020 Budget

ACCOMPLISHMENTS

17. Resolve Police Department POST Audit

17. Unplanned, Accomplished

18. Initiate ERP Needs Assessment

18. Unplanned, Initiate June
2019

FINANCE DEPARTMENT

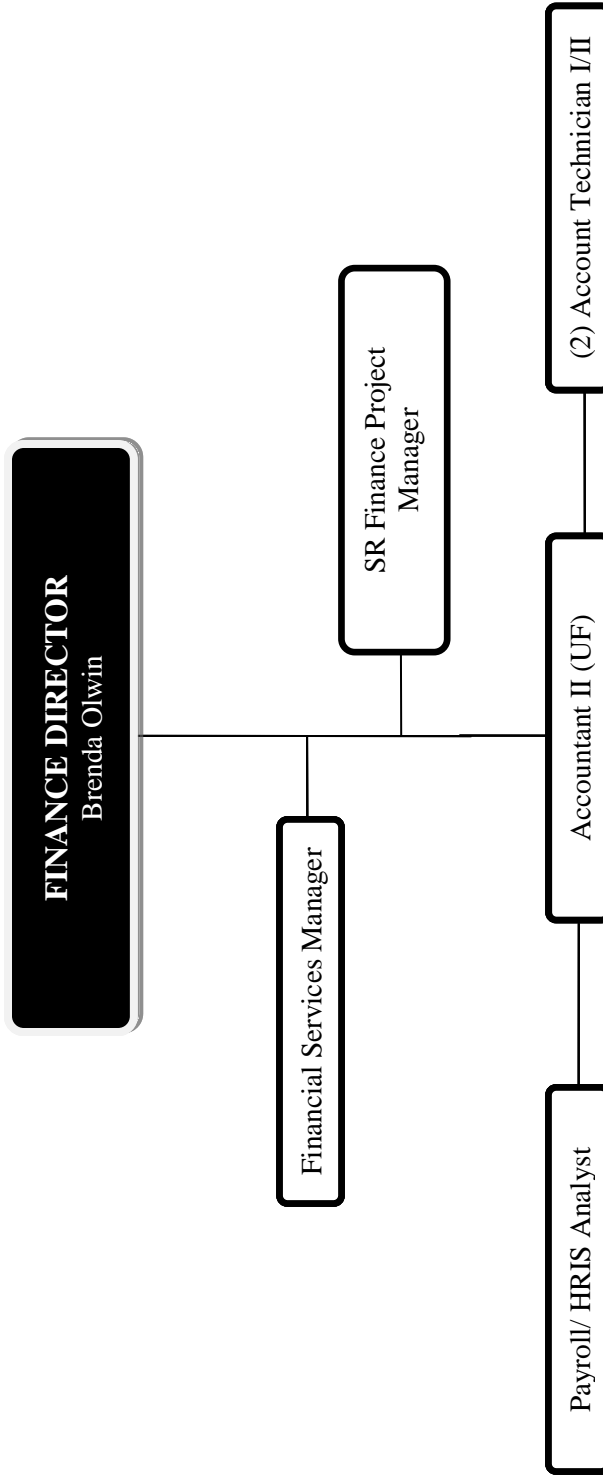
FY 2019-2020 Budget

OBJECTIVES

1. Provide strategic analytics for the 2019 negotiations with employee union bargaining groups.
2. Adopt an Investment Policy and make recommendations regarding the City's investment portfolio practices by September 2019.
3. Improve budget and accounting communication and training with all City divisions by September 2019, by implementing accessible video training and structured reviews with Division Managers and Administrative staff.
4. Complete Cost Allocation Plan and Comprehensive Master Fee Study by October 2019.
5. Complete a Long-term General Fund Forecast and present to Council to inform the 2020 Strategic Planning Process by October 2019.
6. Initiate an Enterprise Resource Planning (ERP) System Needs Assessment and complete and present initial analysis by November 2019.
7. Perform RFP to consider hiring a third-party administrator to implement on-line business license tax renewal and application process to be supported by credit card capability by December 2019.
8. Complete FY 2018-19 Comprehensive Annual Financial Report and submit application to Government Finance Officers Association (GFOA) for excellence in financial reporting award by December 31, 2019.
9. Perform analytical risk studies and present to Council to determine risk-based allocation of accumulated General Fund reserves by January 2020.
10. Adopt a Council Reserve Policy by February 2020.
11. Present Mid-Cycle Operating Budget Update for the budget period by February 2020.
12. Prepare in-depth study and analysis of CalPERS Unfunded Liability and present options for pre-funding liabilities and reducing overall costs and risks by February 2020.
13. Support Public Works Infrastructure and District Studies to reduce General Fund support of NPDES and Storm Drain District activities.
14. Assess procedures to consider adopting California Uniform Public Construction Cost Accounting Act procedures in order to better-manage and simplify bidding processes by March 2020.
15. Initiate a financial plan for Disaster Planning and Recovery and present to Council by May 2020.
16. Prepare and present the Preliminary FY 2020-21 Financial Summary and Budget Message by April 30, 2020. Prepare and adopt the FY 2020-21 Budget by June 30, 2020.

FINANCE DEPARTMENT

FY 2019-2020 Budget



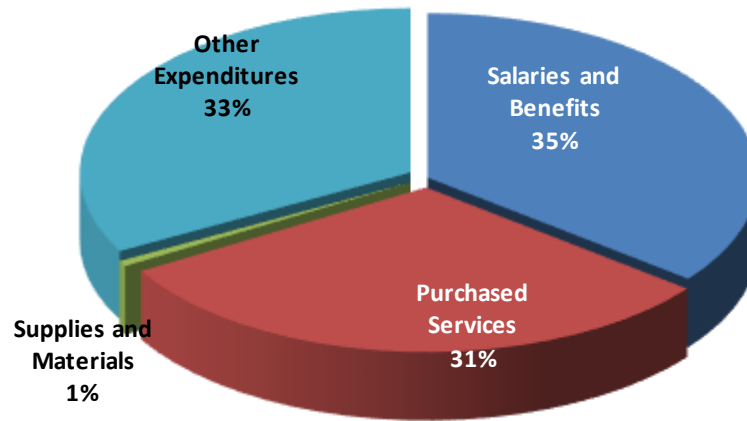
COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-20 Budget

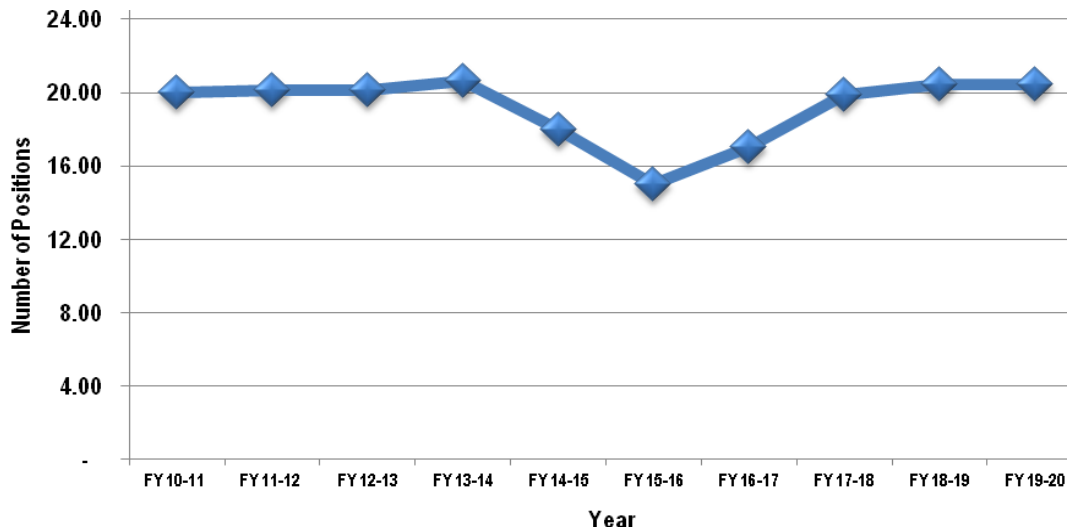
FY 2019-20

Operating \$ 7,773,830
Positions 20.45

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Department Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	1,207,695	1,271,035	1,200,170	1,025,000	722,500
Assigned Funds (Pass Through)	91,905	-	33,705	-	832,000
Use of Resources	362,035	675,175	1,071,775	2,610,890	2,527,150
Special Revenue Funds	614,130	436,095	522,095	1,220,460	3,575,730
Capital Project Fund	(18,190)	-	9,675	287,045	-
Enterprise Funds	27,320	60,495	82,765	135,450	116,450
Successory Agency Trust Fund	-	8,195	145	3,765	-
TOTAL	2,284,895	2,450,995	2,920,330	5,282,610	7,773,830

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	717,910	555,450	528,760	1,127,660	1,095,230
Building Services Division	670,495	775,630	869,270	1,238,900	1,100,500
Housing Division	321,905	270,750	446,010	1,271,700	3,793,200
Planning Division	574,585	849,165	1,076,290	1,644,350	1,784,900
TOTAL	2,284,895	2,450,995	2,920,330	5,282,610	7,773,830

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	1,397,885	1,624,240	1,526,930	2,265,040	2,763,830
Subtotal	1,397,885	1,624,240	1,526,930	2,265,040	2,763,830
Supplies and Services					
Purchased Services	850,650	781,240	1,317,770	2,576,960	2,406,700
Supplies and Materials	30,725	42,195	31,950	89,570	43,300
Capital Expenditures	5,635	3,320	35,800	72,540	-
Other Expenditures	-	-	7,880	278,500	2,560,000
Subtotal	887,010	826,755	1,393,400	3,017,570	5,010,000
TOTAL	2,284,895	2,450,995	2,920,330	5,282,610	7,773,830

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	4.00	4.00	5.90	6.45	6.45
Building Services Division	6.00	7.00	7.00	7.00	7.00
Housing Division	2.00	2.00	3.00	3.00	3.00
Planning Division	3.00	4.00	4.00	4.00	4.00
TOTAL	15.00	17.00	19.90	20.45	20.45

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Department Summary

MISSION STATEMENT

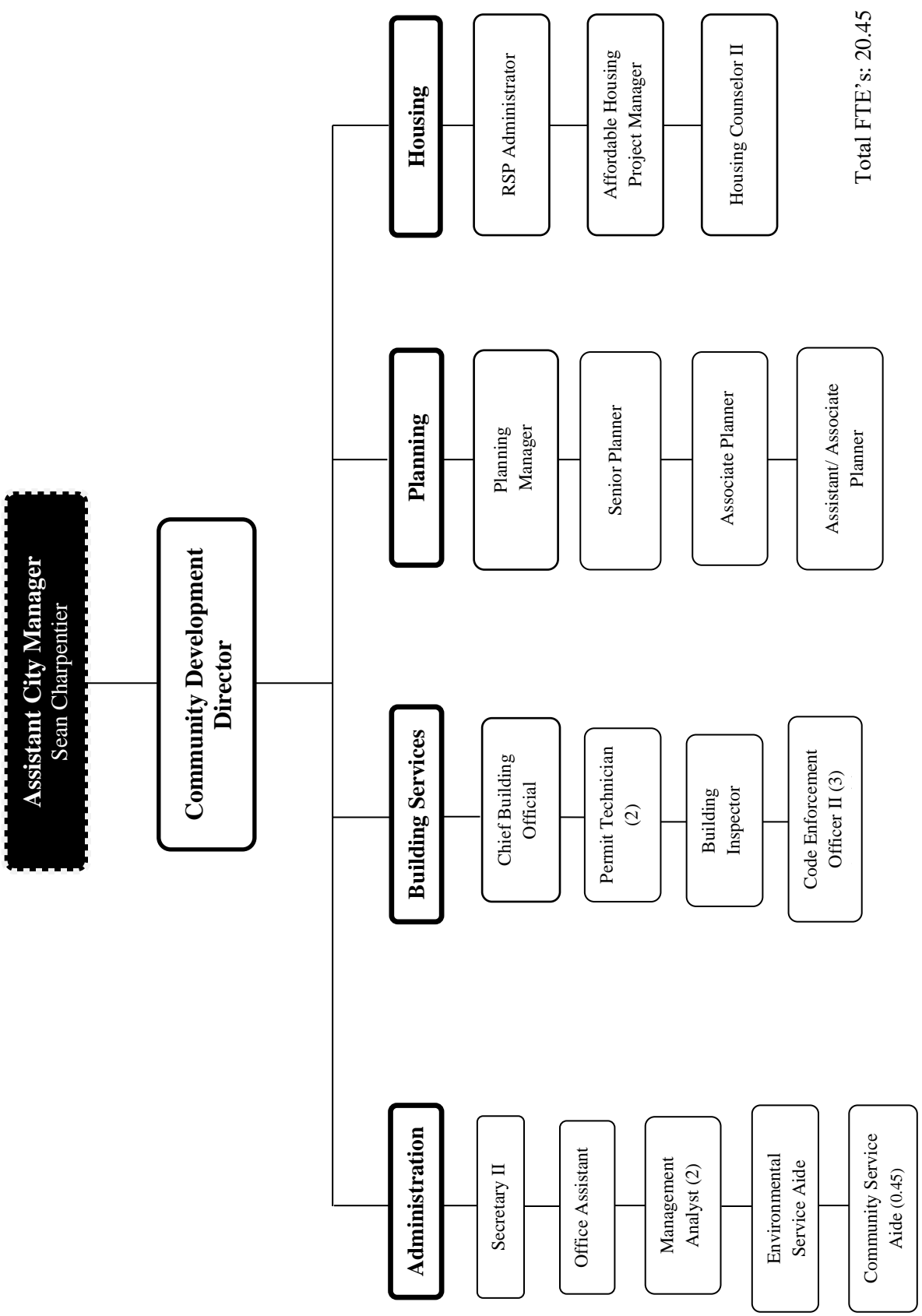
The Community & Economic Development Department seeks to make East Palo Alto a wonderful place to live, work, and play. The Department accomplishes this through effective current and long-range municipal planning, housing management, ensuring code compliance, and managing business attraction, development, and retention opportunities in East Palo Alto.

The Community and Economic Development Department consists of four divisions: Administration, Building, Planning, and Housing. The Department is responsible for a wide-range of functions including:

- Coordinating and managing the City's development related functions (e.g. long range planning, development review, entitlement and permit processing, inspection services, housing and code compliance/enforcement);
- Coordinating business development and retention efforts through both capital projects and direct economic development efforts;
- Managing the Community environmental programs;
- Serving as the City's Floodplain Coordinator by managing the National Flood Insurance Program (NFIP) and Community Rating System (CRS);
- Providing staff support to the Planning Commission;
- Monitoring and collaborating with regional organizations (e.g. City/County Association of Governments (C/CAG), Metropolitan Transportation Committee (MTC), the South Bayside Waste Management Authority and the San Francisquito Creek Joint Powers Authority).

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

FY 2019-2020 Budget



COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Administration Division

Division Summary

SOURCES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	-	-	-	-	-
Use of Resources	404,210	332,455	366,145	604,090	771,750
Special Revenue Funds	286,380	156,570	79,705	297,160	207,030
Capital Project Fund	-	-	-	87,195	-
Enterprise Funds	27,320	58,230	82,765	135,450	116,450
Successory Agency Trust Fund	-	8,195	145	3,765	-
TOTAL	717,910	555,450	528,760	1,127,660	1,095,230

EXPENDITURES BY DIVISION	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	717,910	555,450	528,760	1,127,660	680,050
Environmental Programs	-	-	-	-	415,180
TOTAL	717,910	555,450	528,760	1,127,660	1,095,230

CHARACTER OF EXPENDITURES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	369,325	353,660	344,000	535,800	807,030
Subtotal	369,325	353,660	344,000	535,800	807,030
Supplies and Services					
Purchased Services	339,275	185,980	170,440	547,750	270,400
Supplies and Materials	9,310	15,810	6,440	26,570	17,800
Capital Expenditures	-	-	-	17,540	-
Other Expenditures	-	-	7,880	-	-
Subtotal	348,585	201,790	184,760	591,860	288,200
TOTAL	717,910	555,450	528,760	1,127,660	1,095,230

AUTHORIZED STRENGTH	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Management Analyst	2.00	2.00	2.00	2.00	2.00
Secretary II	1.00	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00	1.00
Community Development Director	-	-	1.00	1.00	1.00
Community Service Aide (PT)	-	-	0.90	0.45	0.45
Environmental Service Aide	-	-	-	1.00	1.00
TOTAL	4.00	4.00	5.90	6.45	6.45

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Administration Division Summary

SERVICE DESCRIPTION

The Community and Economic Development Department provides a wide array of services to the community. The Department maintains the critical infrastructure and facilities of the City, and ensures ongoing operation and enhancement of public facilities and infrastructure. The Department provides planning and development related services to property owners and businesses. The Community and Economic Development Department serves as the focal point for business and economic development efforts as well as administration of local affordable housing funds and programs. Other services include regional agency coordination, environmental coordination, and transportation coordination.

Day-to-day administration of the Community and Economic Development Department is led by the Community and Economic Development Director with the assistance of two management analysts, and two administrative support staff. The Administration Division manages the activities of, and sets policy for, the department, prepares and maintains budgets, and coordinates grant writing and grant management. Additionally, the Administration Division supports engineering and capital projects, parks, streets and facilities maintenance, long-range planning and development services and environmental programs. The Administration Division also manages and coordinates a number of special programs and projects including, but not limited to, flood control, Cooley Landing Park Development, the General Plan Update, and business development and retention.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$269,160 (31.4%) from the Adopted FY 2018-19 Budget to the Amended FY 18-19 Budget is primarily due to increased appropriations for the Cal-Fire Grant (\$191,000), Tucker Construction (\$109,200) for environmental clean-up and AECOM (\$119,000) for continuation of the Impact Fee Study, offset by vacancy savings in Community Development Director position.

The decrease of \$32,430 (-2.9%) from the Amended FY 18-19 Budget to the FY 19-20 Budget is primarily attributed to increased personnel costs (\$271,000) as a result of restoring amended personnel vacancies and full-year budgeting for new Environmental Service aide, offset by reduced professional services related to prior year contract activity.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$858,500		
2018-19 Amended	\$1,127,660	\$269,160	31.4%
2019-20 Budget	\$1,095,230	(\$32,430)	-2.9%

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Administration Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Develop and implement project management procedures and project tracking system.	1. Completed.
2. Standardize file system and consolidate filing. Implement scanning and digital storage of files including scanning of existing microfiche.	2. In progress.
3. Develop standard operating procedures and policies for the Department.	3. In progress.
4. Evaluate customer service and consider opportunities to improve services.	4. No comprehensive review occurred.
5. Continue work on the San Francisquito Creek flood control project in all aspects, and provide input to the EIR for the Newell Street Bridge project.	5. Completed/On-going.
6. Complete General Plan Update and Environmental Impact Report (EIR).	6. Completed.
7. Manage special projects and programs including NPDES, City Shuttle, and Business Retention.	7. Ongoing.
8. Coordinate implementation of a comprehensive strategy for enhancing water supply and upgrading the water system for the City.	8. Completed.
9. Finalize design and environmental review for the US 101 Pedestrian and Bicycle Overcrossing.	9. Completed.
10. Complete Public Facilities Plan and Affordable Housing Strategy	10. Public Facilities Plan is underway. Affordable Housing Strategy is completed.
11. Update and adopt a Nexus Study for Impact Fees.	11. Completed

COMMUNITY AND ECONOMIC DEVELOPMENT

**FY 2019-2020 Budget
Administration Division**

OBJECTIVES

1. Further implement Affordable Housing Strategy.
2. Institute a customer feedback procedure to evaluate customer service levels.
3. Plan and implement water meter replacement program. (Public Works)
4. Complete a Public Facilities Plan.
5. Adopt a Citywide Development Impact Fee program.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Building Services Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	919,015	692,910	580,220	500,000	562,500
Assigned Funds	-	-	25,815	-	-
Use of Resources	(248,520)	82,720	263,235	718,900	538,000
Special Revenue Funds	-	-	-	-	-
Capital Project Fund	-	-	-	20,000	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	670,495	775,630	869,270	1,238,900	1,100,500

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Building Services Division	670,495	775,630	869,270	1,238,900	1,100,500
TOTAL	670,495	775,630	869,270	1,238,900	1,100,500

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	-	706,455	552,920	691,840	885,500
Subtotal	-	706,455	552,920	691,840	885,500
Supplies and Services					
Purchased Services	251,510	42,975	275,760	513,060	200,000
Supplies and Materials	15,645	22,880	14,780	14,000	15,000
Capital Expenditures	3,645	3,320	25,810	20,000	-
Other Expenditures	-	-	-	-	-
Subtotal	270,800	69,175	316,350	547,060	215,000
TOTAL	270,800	775,630	869,270	1,238,900	1,100,500

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Chief Building Official	1.00	1.00	1.00	1.00	1.00
Building Inspector	1.00	1.00	1.00	1.00	1.00
Building Permit Technician	2.00	2.00	2.00	2.00	2.00
Code Enforcement Officer	2.00	3.00	3.00	3.00	3.00
TOTAL	6.00	7.00	7.00	7.00	7.00

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Building Services Division Summary

SERVICE DESCRIPTION

The Building Division ensures that existing and new/proposed development complies with the California Building Standards Code, Title 24, including California Code of Regulations Titles 8 and 19 as mandated by the State of California. The Division provides customer assistance to residents, property owners, contractors, developers, design professionals and businesses via the City's Permit Center. Services include plan review, permit issuance and assistance, building inspections, and enforcement of state and local regulatory laws under the jurisdiction of the Community and Economic Development Department.

Building Services Division responsibilities include: project plan review, inspections, permit activities coordination, evaluation, implementation of codes and policies, and construction-related code enforcement for existing and new buildings and properties of all construction types and occupancies. The goal of the Division is to enforce minimum life safety laws for the built environment, which enhances the quality of life for residents and business.

Enhancement and constant improvement of building services and streamlining of the permitting and inspection processes are a major component of the City's economic and business development effort. The Division is managed by the Chief Building Official and is staffed with 3 Code Enforcement Officers, 2 Permit Technicians and 1 Building Inspector.

Additionally, the Building Services Division continues to add to customer service and operational efficiencies by developing and distributing educational handouts, policies, procedures and written interpretations that address enforcement. These resources are also made available online to aid our customers in their efforts related to new construction, additions, alterations, maintenance and repair of properties and structures in the City of East Palo Alto.

The Division strategically addresses the following on an ongoing basis:

- Customer service, satisfaction and efficiency of the Permit Center operations;
- Coordination of Building Permit processing with internal and external agencies;
- In-house and contract plan check;
- Building inspections;
- Code Enforcement process compliance;
- Records management;
- Life safety inspections specific to the built environment;
- Community outreach and education;

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Building Services Division Summary

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budgeted:

The decrease of \$180,000 (-12.7%) from the Adopted FY 18-19 Budget to the Amended FY 18-19 Budget is due to overall less development-related activity than anticipated. Both building revenues and expenditures were reduced by \$200,000 during the fiscal year; offset by capital activity of \$20,000 related to facilities planning.

The decrease of \$138,400 (-11.2%) from the Amended FY 18-19 Budget to the FY 19-20 Budget is primarily to account for fully-budgeted staff positions and dramatically reduced outside professional services costs on the assumption the Building Official will be filled during current recruitment.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$1,418,900		
2018-19 Amended	\$1,238,900	(\$180,000)	-12.7%
2019-20 Budget	\$1,100,500	(\$138,400)	-11.2%

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Building Services Division

ACCOMPLISHMENTS

OBJECTIVE

1. The Building Division has now implemented a digital submittal mechanism. At this time all final/approved plans are submitted in a digital format. Also, we are now accepting digital submittals for minor projects and all residential solar photovoltaic projects. This is a significant service enhancement to the public; this mechanism will enable us to reduce storage, increase staff efficiency and reduce customer trips to the front counter.

The digital submittal mechanism was implemented utilizing existing technology. There were no additional technology purchases or upgrades made.

2. Reduce the inspection timeframes from the previous four- hour windows to two-hour windows; also, the building inspector now contacts all inspection requestors to inform them of the approximate time or arrival. This allows for customers to better plan their day, and provides customers with a tighter timeframe.
3. Established the existing Trakit Permit Software Citizens Access Portal, and the Agency Access Portal; to enhance both access to application submittals for permits and to improve in-house tracking. This will enable customers to access the portal to view basic permitting information such as historic permits; active permit statuses; code enforcement case status and case information; further enhancing the services we provide and minimizing traffic/foot traffic and phone calls to the front counter.
4. The Building Division now has iPads that will be utilized by staff for increased efficiency. The iPads will enable staff to document their inspections out on the field, in real time. Staff will be able to access the recently established Trakit Permit Software Agency Portal to conduct their work, in real time.
3. Integrate the new Community Development Building Inspector and the two new code enforcement officers into the Building Division.
4. With access to the Trakit Permit Software

RESULT

1. Accomplished. There will be further enhancements when the permit software (Trakit) is upgraded, and when the digital storage capabilities is upgraded.
2. Accomplished. There will be further enhancements when the permit software (Trakit) is upgraded.
3. Accomplished. There will be further enhancements when the permit software (Trakit) is upgraded.
4. Accomplished; and ongoing since there will be further training relevant to the usage of the devices.
3. Accomplished.
4. In Progress.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Building Services Division

ACCOMPLISHMENTS

Agency Portal, the building inspector now utilizes this portal to status the inspections on the field, and in real time.

- | | |
|---|------------------------------------|
| 5. Implement a cross training program so all staff is familiar with each other's role. Counter staff will ride along with the building inspector and code enforcement from time-to-time; and field staff will shadow counter staff from time-to-time. This will enhance the services we provide to the public by having staff with a broad range of knowledge. | 5. In progress. |
| 6. More than 400 building permit applications were submitted so far in fiscal year 2018/2019 | 6. Accomplished. |
| 7. Assisted the City Manager and the City Attorney's office with the creation of the Cannabis Cultivation Ordinance by providing input relevant to the California Building Codes standards. | 7. Accomplished. |
| 8. Worked in collaboration with the Planning Division and assisted with the creation of a Cannabis Cultivation Zoning Clearance form. The form will allow the City to track both medical and adult-use Cannabis Cultivation activities. The clearance form will also provide guidelines for customers to use and stay within the parameters of the Municipal Code Cannabis Cultivation Ordinance. | 8. Accomplished. |
| 9. More than 1,500 building inspections were conducted so far in Fiscal Year 2018/2019 | 9. Accomplished. |
| 10. More than 120 code cases were closed so far in Fiscal Year 2018/2019. Each code enforcement officer manages approximately 50 cases each; and there are 123 total open code cases so far in Fiscal Year 2018/2019. | 10. Accomplished; and in progress. |
| 11. Established an expired permit mechanism to identify expired permits and to encourage customers who have expired building permits to either submit for an extension to their permit or complete the work under the permit. | 11. Accomplished. |
| 12. Complete 95% of first building plan checks within 21 business days. | 12. Accomplished. |
| 13. Continue to provide 100% of inspections within two business days of the request. | 13. Accomplished. |

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Building Services Division

OBJECTIVES

1. Continue to make great strides to improve service quality, efficiency and customer service levels in all areas of the Building Division's Permit Center, Building Inspections, Building Plan Review and Code Enforcement.
2. Continue to support staff to pursue all applicable certifications, training and education in order for staff to develop and achieve great potential that results in exemplary customer benefits.
3. Collaborate with Menlo Park Fire and City staff in order to adopt, amend and clarify the new 2019 California Building Standards Code prior to its effective date of January, 2020. Objectives
4. Conduct public outreach relevant to the new state mandates and building codes.
5. Continue to update technology and tools to better serve the community and provide a modern work environment for staff by:
 - a. Updating the Trakit Permit Software
 - b. Unveiling the Trakit Permit Software Public Access Portal
 - c. Unveiling the Trakit Permit Software Agency Access Portal
 - d. Digitizing records for public access
6. Continue to develop partnerships with both internal City Departments and outside agencies to ensure compliance with all laws and regulations relating to the built and natural environment.
7. Continue to collaborate with external agencies such as; Rebuilding Together Peninsula, Habitat for Humanity and EPA Can do, in an effort to provide financially challenged customers with resources to assist them with their projects.
8. Update the City's Construction and Demolition Requirements in order to satisfy both the State CalRecycle and the California Green Building Code mandates.
9. Adopt and implement the Municipal Regional Permit Requirements ("MRP") relevant to Polychlorinated Biphenyls ("PCB") by establishing demolition requirements to document and properly abate PCBs.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Housing Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	-	-	3,090	-	-
Use of Resources	-	-	3,585	348,400	424,500
Special Revenue Funds	321,905	270,750	439,335	923,300	3,368,700
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	321,905	270,750	446,010	1,271,700	3,793,200

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Affordable Housing Program	-	-	129,570	840,600	3,380,600
Rent Stabilization Program	321,905	270,750	316,440	431,100	412,600
TOTAL	321,905	270,750	446,010	1,271,700	3,793,200

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	231,800	221,610	281,280	457,900	480,200
Subtotal	231,800	221,610	281,280	457,900	480,200
Supplies and Services					
Purchased Services	85,155	47,060	154,990	454,800	746,000
Supplies and Materials	4,415	2,080	4,550	45,500	7,000
Capital Expenditures	535	-	5,190	35,000	-
Other Expenditures	-	-	-	278,500	2,560,000
Subtotal	90,105	49,140	164,730	813,800	3,313,000
TOTAL	321,905	270,750	446,010	1,271,700	3,793,200

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
RSP Administrator	1.00	1.00	1.00	1.00	1.00
Housing Counselor II	1.00	1.00	1.00	1.00	1.00
Housing Project Manager	-	-	1.00	1.00	1.00
TOTAL	2.00	2.00	3.00	3.00	3.00

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Housing Division Summary

SERVICE DESCRIPTION

Administer affordable housing development and programs, including the Rent Stabilization Program. The Program administers and implements the voter approved Rent Stabilization and Eviction for Just Cause Ordinances. The primary purpose of these Ordinances is to 1) stabilize rents, 2) protect residential tenants from unreasonable rent increases and unjust or retaliatory evictions; and 3) facilitate improvements in maintenance and service levels of rental units in an economically viable rental housing market, and provide a forum for both tenants and landlords to address their grievances.

The Housing Division is a newly re-established division incorporating programmatic tasks related to affordable housing development and programs, as well as, the Rent Stabilization Program. The Affordable Housing program is funded through multiple sources, including donations, impact fees, successor housing, and the General Fund. The Rent Stabilization program is fully funded through revenues generated by annual registration fees paid by landlords for regulated rental units, including mobile home spaces. In addition to supporting the Rent Stabilization Board in adopting and implementing regulations for the Ordinances, the staff works directly with residents and landlords to gain compliance with the Ordinances and to improve living conditions for rental residents.

The Division has a staffing level of three (3) positions for these services and is supported by staff from the City Attorney's Office and the Finance Department. The Division also contracts Information Technology providers, hearing examiners, consultants, and temporary staff as needed.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budgeted:

The increase of \$137,000 (12.1%) from the Adopted FY 18-19 Budget to the Amended FY 18-19 Budget primarily is due to multi-contract costs for BMR monitoring and affordable housing fiscal consulting (\$375,000) offset by program reductions to fund costs related to the RV safe parking pilot program.

The increase of \$2,521,500 (198.3%) from the Amended FY 18-19 Budget to the FY 19-20 Budget is primarily due to planned affordable housing loans (\$2.5M) and restoring General Fund Measure O funding offset by operational reductions in Rent Stabilization program costs.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$1,134,700		
2018-19 Amended	\$1,271,700	\$137,000	12.1%
2019-20 Budget	\$3,793,200	\$2,521,500	198.3%

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Housing Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Assist the Rent Stabilization Board (Board) to review and adopt new regulations to implement the 2010 Rent Stabilization Ordinance as amended by the 2016 Measure J and to amend the implementing regulations of the 1988 Rent Stabilization Ordinance which still applies to mobile home park tenancies.	1. The Board amended and adopted new regulations to implement both the 1988 and 2010 Ordinances.
2. Work with the Board to ensure that rental units meet the building, housing and safety code standards by coordinating code enforcement inspections, so the Program's habitability goal in can be accomplished.	2. The Board held public presentations by the County's Environmental Health Division; and the Program mailed invitations to landlords and tenants. It has also been coordinating code enforcement inspections with Building, Code Enforcement, and the County.
3. Assist the City Attorney's Office and contract legal counsel to draft regulations to implement the 2010 Ordinance as amended by the 2016 Measure J and the 1988 Ordinance. Gain approval of amendments from the Board. Update forms, notices and informative materials to reflect any revisions adopted.	3. In collaboration with the City Attorney's Office, the Board has adopted new amendments to the regulations. The Program has provided tenants and landlords with proper updates.
4. Work with the IT services provider to make any needed programming changes to the Program's registration database and petition tracking system.	4. The Program has worked with IT to make necessary adjustments to the Program's database.
5. Conduct community outreach to educate both landlords and tenants of their rights and responsibilities under the Ordinance, including distributing an informative Updated Guide to Rent Control in East Palo Alto.	5. The Program did two massive mailings to all the tenants under the Program with information about the apparent maximum allowable rents and about the annual general adjustment. It has regularly been providing landlords with updates on the Program's and Board's activities.
6. Provide information on the requirements for eviction in the Ordinance to landlords and tenants, including mailing information to tenants within one business day of receipt of notices of eviction.	6. The Program continues mailing tenants with legal referral information to those tenants facing eviction within one business day after receiving notifications from landlords. The Program continues responding to landlords' verbal and written requests for information on a daily basis.
7. Issue Certificates of Maximum Allowable Rent for new tenants within five business days of the Board's receipt of a completed Vacancy Registration Statement to comply with the Ordinance and regulations.	7. The Program continues issuing Certificates of Maximum Allowable Rent for new tenants within one or two business days of the Program's receipt of a completed

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Housing Division

ACCOMPLISHMENTS

8. Mail 2019 Annual Registration Statements to landlords of regulated rental units by November 15, so that they can be submitted in time to meet the January 2, 2019 deadline established by the Ordinance.
 9. Process pending petitions submitted by landlords and tenants within the timelines established in the Rent Stabilization Ordinance and regulations.
 10. Submit notices of noncompliance to landlords when regulated rental units are not properly registered as required by the Ordinance and regulations with information about how to comply, the penalty fees that are accruing for noncompliance, and the procedure for submittal of a penalty waiver request for good cause.
- Vacancy Registration Statement to comply with the Ordinance and regulations.
8. The Program timely provided landlords with registration information and has been processing and assisting landlords to properly register their rental units.
 9. The Program has been timely processing individual rent adjustment petitions and is in contract with three hearing examiners to hold public hearings and decided rent adjustment petitions.
 10. The Program has been working with landlords who are not in compliance and have failed to properly register their units under the Ordinance requirements. The Program continues collecting penalties from non-compliance landlords.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Housing Division

OBJECTIVES

1. In collaboration with the City Attorney's Office, assist the City Council to review, adopt and implement any rent stabilization ordinance amendments if needed.
2. Work with other City agencies to ensure that tenants are provided with proper notices and relocation benefits when granted under the Municipal Code.
3. Work with the Rent Stabilization Board, in collaboration with the Building Services Division, to ensure that rental units meet the building, housing and safety code standards, so the rent stabilization ordinance's habitability goals can be accomplished.
4. Assist the City Attorney's Office and contract legal counsel to draft any needed regulations and amendments to the Rent Stabilization ordinances. Gain approval of amendments from the Board. Update forms, notices and informative materials to reflect any revisions adopted.
5. Work with the IT services provider to make any necessary programming adjustment to the Program's registration database and petition tracking system.
6. Conduct community outreach to educate both landlords and tenants of their rights and responsibilities under the ordinances, including distributing an informative Updated Guide to Rent Control in East Palo Alto.
7. Provide information on the requirements for eviction in the ordinances to landlords and tenants, including mailing information to tenants within one business day of receipt of notices of eviction.
8. Under the 2010 Ordinance, issue Certificates of Maximum Allowable Rent for new tenants within five business days of the Board's receipt of a completed Vacancy Registration Statement to comply with the Ordinance and regulations.
9. Mail 2020 Annual Program Fee Statements to landlords of regulated rental units by November 15, so that they can be submitted in time to meet the January 2, 2020 deadline established by the Ordinance.
10. Process pending petitions submitted by landlords and tenants within the timelines established in the Rent Stabilization Ordinance and regulations.
11. Submit notices of noncompliance to landlords when regulated rental units are not properly registered as required by the Ordinance and regulations with information about how to comply, the penalty fees that are accruing for noncompliance, and the procedure for submittal of a penalty waiver request for good cause.

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COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Planning Division

Division Summary

SOURCES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	288,680	578,125	619,950	525,000	160,000
Assigned Funds (Pass Through)	91,905	-	4,800	-	832,000
Use of Resources	206,345	260,000	438,810	939,500	792,900
Special Revenue Funds	5,845	8,775	3,055	-	-
Capital Project Fund	(18,190)	-	9,675	179,850	-
Enterprise Funds	-	2,265	-	-	-
Succesory Agency Trust Fund	-	-	-	-	-
TOTAL	574,585	849,165	1,076,290	1,644,350	1,784,900

EXPENDITURES BY DIVISION	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Planning Division	574,585	849,165	1,076,290	1,644,350	1,784,900
TOTAL	574,585	849,165	1,076,290	1,644,350	1,784,900

CHARACTER OF EXPENDITURES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	397,065	342,515	348,730	579,500	591,100
Subtotal	397,065	342,515	348,730	579,500	591,100
Supplies and Services					
Purchased Services	174,710	505,225	716,580	1,061,350	1,190,300
Supplies and Materials	1,355	1,425	6,180	3,500	3,500
Capital Expenditures	1,455	-	4,800	-	-
Other Expenditures	-	-	-	-	-
Subtotal	177,520	506,650	727,560	1,064,850	1,193,800
TOTAL	574,585	849,165	1,076,290	1,644,350	1,784,900

AUTHORIZED STRENGTH	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Planning Manager	1.00	1.00	1.00	1.00	1.00
Senior Planner *	-	1.00	1.00	1.00	1.00
Associate Planner	1.00	1.00	1.00	1.00	1.00
Assistant/ Associate Planner	1.00	1.00	1.00	1.00	1.00
TOTAL	3.00	4.00	4.00	4.00	4.00

*Position rotated into permanent position in FY 16-18. Initially hired as 2-year Limited Duration.

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Planning Division Summary

SERVICE DESCRIPTION

The Planning Division implements the City's planning policies, which are intended to maintain and enhance the quality of life for City residents and visitors through provision of an attractive and functionally built environment, protection of desirable environmental and scenic amenities, efficient development review. The Division provides quality development review and permitting services through efficient, professional and customer-friendly public processes under the policy direction of the Planning Commission and ultimately the City Council.

The functions of the Planning Division include current planning/development review, and advanced/long range planning. In addition to regular staff, the Division also utilizes consultants for special projects and environmental reviews.

The Planning Division will continue to implement FEMA's Community Rating System, which has resulted in significant flood insurance savings. Core planning functions continue, such as processing high priority projects, responding to day-to-day inquiries, processing environmental and private development permit applications, and ensuring that divisional operations are conducted in an efficient, professional and customer-friendly manner.

The Planning Division also supports the work of the Planning Commission, whose resident members are appointed by the City Council. The Planning Commission is required under state law to review and act on matters related to planning and development. The Planning Division will continue to work towards process and systems improvement in the course of the objectives described in the objectives section of this narrative.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$86,350 (5.5%) from the Adopted FY 2018-19 Budget to the Amended FY 18-19 Budget is primarily due to approved mobility study consultants (\$240,000) offset by reduced volume of appropriated developer-funded environmental review services. This amount does not include the \$1.4M in developer-reimbursed environmental review services approved in May 2019.

The increase of \$140,550 from the Amended FY 18-19 Budget to the FY 19-20 Budget is primarily due to reduced mobility study appropriations, offset by increased developer-funded environmental review and planning consulting services (\$825,000).

Fiscal Year (FY)	Budget	\$ Change From Previous	% Change From Previous
2018-19 Adopted	\$1,558,000		
2018-19 Amended	\$1,644,350	\$86,350	5.5%
2019-20 Budget	\$1,784,900	\$140,550	8.5%

COMMUNITY AND ECONOMIC DEVELOPMENT

FY 2019-2020 Budget

Planning Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. To complete the revised Development Code	1. Completed
2. To complete the processing of four major projects (2020 Bay Road, Sobrato Phase II, Primary School, EPA Center Arts) by the Fall of 2019.	2. In progress
3. To provide support to the Public Works Department for the release of the Mobility Study.	3. In progress
4. To modify the Municipal Code pursuant to the Community Assistance Visit (CAV) from the State Water Board as part of the City's participation in the FEMA Community Rating System (CRS).	4. Completed
5. To ensure compliance with Senate Bill SB 2 and other housing legislation adopted by the State of California in 2017.	5. In progress
6. To organize a study session with the Planning Commission to discuss the change from level of service (LOS) to Vehicle Miles Traveled (VMT).	6. In progress as part of the larger mobility study
7. To continue to improve the customer service experience by enhancing the department website and providing user friendly forms based on the new development code.	7. Completed; the Planning website has a GIS module and several customer friendly forms have been added to the website.
8. Provide environmental planning support to the Engineering Division for the PAD D project.	8. Ongoing
9. Approve a minimum of 8 secondary dwelling units in support of the Housing Element.	9. Completed. Planning approved 12 second units.
10. To continue to provide support to the Second Unit Task Force and the Garage Conversion Working Group.	10. Ongoing.

COMMUNITY AND ECONOMIC DEVELOPMENT

2019-2020 Budget

Planning Division

OBJECTIVES

1. To complete the processing of four major projects (2020 Bay Road, Sobrato Phase II, Primary School, EPA Center Arts) by the Fall of 2019.
2. To provide support to the Public Works Department for the completion of the Mobility Study.
3. To continue to implement the Community Rating System (CRS) and obtain a Class 6 designation from FEMA.
4. Improve the customer service experience by enhancing the department website and providing user friendly forms.
5. Provide environmental planning support to the Engineering Division for the PAD D project.
6. Approve a minimum of 8 secondary dwelling units in support of the Housing Element.
7. To continue to provide support to the Second Unit Task Force and the Garage Conversion Working Group.
8. To organize a study session with the Planning Commission to discuss the change from level of service (LOS) to Vehicle Miles Traveled (VMT).

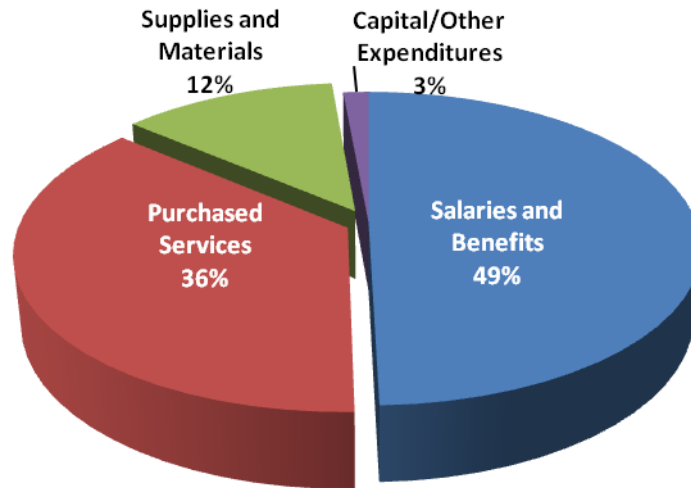
PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

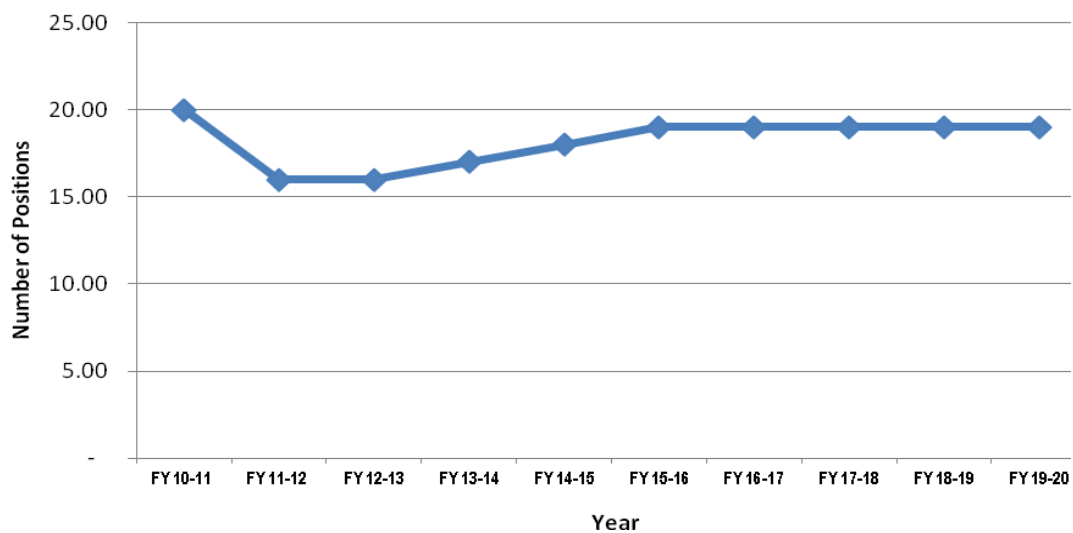
FY 2019-20

Operating \$ 5,218,330
Positions 19

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Department Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	519,140	377,300	276,495	695,000	280,000
Assigned Funds	21,195	35,070	402,845	75,000	415,000
Use of Resources	1,808,570	2,137,545	2,386,960	2,892,060	3,049,370
Special Revenue Funds	757,475	590,240	683,240	1,054,030	1,209,110
Capital Project Fund	(165)	420,000	501,750	558,000	150,000
Enterprise Funds	154,775	141,070	97,360	197,870	114,850
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	3,260,990	3,701,225	4,348,650	5,471,960	5,218,330

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	324,485	324,530	356,700	392,850	402,500
Engineering Division	654,025	1,142,235	1,212,520	1,984,480	1,580,500
Maintenance Division	2,282,480	2,234,460	2,779,430	3,094,630	3,235,330
TOTAL	3,260,990	3,701,225	4,348,650	5,471,960	5,218,330

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	1,914,965	2,004,915	2,039,720	2,403,250	2,566,430
Subtotal	1,914,965	2,004,915	2,039,720	2,403,250	2,566,430
Supplies and Services					
Purchased Services	1,009,960	835,595	1,071,780	1,886,410	1,896,500
Supplies and Materials	325,545	390,900	430,560	572,300	640,900
Capital Expenditures	10,520	49,815	386,590	70,000	74,500
Other Expenditures	-	420,000	420,000	540,000	40,000
Subtotal	1,346,025	1,696,310	2,308,930	3,068,710	2,651,900
TOTAL	3,260,990	3,701,225	4,348,650	5,471,960	5,218,330

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	2.00	2.00	2.00	2.00	2.00
Engineering Division	5.00	5.00	5.00	5.00	5.00
Maintenance Division	12.00	12.00	12.00	12.00	12.00
TOTAL	19.00	19.00	19.00	19.00	19.00

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Department Summary

MISSION STATEMENT

The Public Works Department provides administrative, engineering and maintenance services that ensure the design, construction, maintenance, and operation of public infrastructure, parks, and facilities, are high-quality and sufficient to meet the needs of East Palo Alto residents, businesses, and visitors.

The Public Works Department includes the Administrative, Engineering, and Maintenance Divisions.

Divisions Overview:

Engineering Division

The Engineering Division oversees the design, development and construction of public works capital projects and facilities, including streets and roadways, water supply, and storm drainage systems. The Division is responsible for issuing permits for any work to be performed on City right-of-way and performs various reviews related to private development projects, and prepares grant applications

Maintenance Division

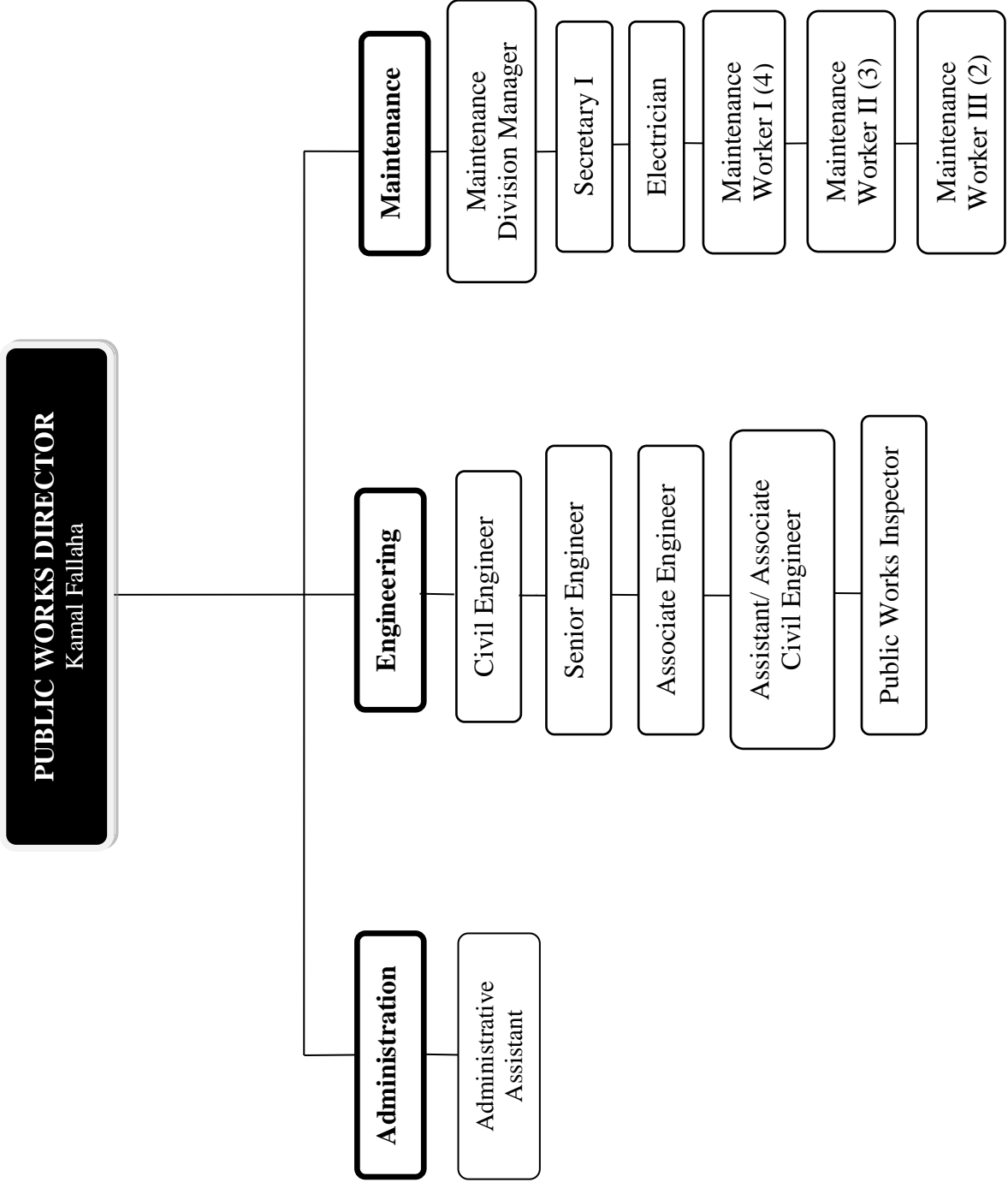
The Maintenance Division is responsible for the day-to-day maintenance of all City-owned facilities, parks and infrastructure. It coordinates and assists other departments with the use of City facilities during special events, holidays, as well as the general use of City facilities and parks.

The Public Works Department is responsible for a wide-range of functions including:

- Maintaining existing streets, utilities and facilities;
- Developing and managing the City's Ten Year Capital Improvement Program and annual Capital Budget;
- As the environmental coordinator for the City, ensuring compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA);
- Serving as the Disabled Access Coordinator to ensure safe and reasonable access for all citizens under the Americans with Disabilities Act (ADA) and California Title 24;
- Managing storm water efforts to ensure compliance with the Clean Water Act and other mandates of the San Francisco Bay Regional Water Quality Control Board;
- Providing staff support to the City Council and Public Works and Transportation Commission
- Monitoring and collaborating with regional organizations (e.g. City/County Association of Governments (C/CAG), Metropolitan Transportation Committee (MTC), the Association of Bay Area Governments (ABAG), the South Bayside Waste Management Authority and the San Francisco Creek Joint Powers Authority).

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget



Total FTE's: 19

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Admininstration Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	-	-	-	-	-
Use of Resources	324,485	323,570	356,700	382,850	397,500
Special Revenue Funds	-	-	-	10,000	5,000
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	960	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	324,485	324,530	356,700	392,850	402,500

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	324,485	324,530	356,700	392,850	402,500
TOTAL	324,485	324,530	356,700	392,850	402,500

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	321,245	316,945	330,100	351,750	366,700
Subtotal	321,245	316,945	330,100	351,750	366,700
Supplies and Services					
Purchased Services	2,075	5,925	24,270	39,500	32,400
Supplies and Materials	1,165	1,660	2,330	1,600	3,400
Capital Expenditures	-	-	-	-	-
Other Expenditures	-	-	-	-	-
Subtotal	3,240	7,585	26,600	41,100	35,800
TOTAL	324,485	324,530	356,700	392,850	402,500

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Public Works Director	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
TOTAL	2.00	2.00	2.00	2.00	2.00

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Administration Division Summary

SERVICE STATEMENT

The Public Works Administration Division provides oversight of the engineering and maintenance services that ensure the design, construction, maintenance, and operation of public infrastructure, parks, and facilities, are high-quality and sufficient to meet the needs of East Palo Alto residents, businesses, and visitors.

The Division is responsible for the oversight of a wide-range of functions including:

- Maintaining existing streets, infrastructures, utilities and facilities;
- Developing and managing the City's Ten Year Capital Improvement Program;
- As the environmental coordinator for the City, ensuring compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA);
- Serving as the Disabled Access Coordinator to ensure safe and reasonable access for all citizens under the Americans with Disabilities Act (ADA) and California Title 24;
- Managing storm water discharge efforts to ensure compliance with the Clean Water Act and other mandates of the San Francisco Bay Regional Water Quality Control Board;
- Providing staff support to the City Council and Public Works and Transportation Commission.
- Monitoring and collaborating with regional organizations (e.g. Caltrans, ABAG, MTC, City/County Association of Governments (C/CAG), Metropolitan Transportation Committee (MTC), the Association of Bay Area Governments (ABAG), the South Bayside Waste Management Authority and the San Francisco Creek Joint Powers Authority).
- Oversee the Maintenance and Operation of the City Water System by AWE and ensure water quality and water sampling is carried out in accordance with the State Drinking Water Quality Control Board and EPA's Standards.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The decrease of \$3,650 (-0.9%) from the Adopted FY 2018-19 Budget to the Amended FY 2018-19 Budget is due to minor personnel cost increase for Public Works Director, offset by reduction in other property services.

The increase of \$9,650 (2.5%) from the Amended FY 2018-19 to the FY 2019-20 Budget is due to personnel cost increases (\$10,315); offset by reduction in outside services.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$396,500		
2018-19 Amended	\$392,850	(\$3,650)	-0.9%
2019-20 Budget	\$402,500	\$9,650	2.5%

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Administration Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Conduct in-house training for Maintenance Division staff to update them on construction methods, techniques and new tools to enhance quality and efficiency	1. On-going
2. Provide Engineering Division staff with training opportunities to improve performance.	2. On-going
3. Complete Safe Routes To School (SRTS) project construction	3. The project was completed in September 2017
4. Monitor and solicit grant opportunities to fund necessary ATP and SRTS cycles identified in the "Existing Conditions" report.	4. On-going
5. Complete Bay Road Phase II/III Improvements to serve the Ravenswood Business Park area	5. PG&E completed the undergrounding of the overhead utilities in August, 2016. The project will be advertized in July 2019. The City is pursuing ~\$4.5 million of Federal EDA Grant
6. Design the University Avenue/Highway 101 Interchange improvements as well as the Pedestrian/Bicycle Overcrossing to enhance connectivity between areas east and west of Highway 10 and improve pedestrian and bicycle access.	6. Underway, 65% plans is completed. This project was delayed for lack of funding and for the City not being able to construct two POC Projects concurrently. The POC Project at Clarke/Newell is now completed. A Ribbon Cutting Ceremony is scheduled on May 18, 2019
7. Reactivate the Gloria Way well to serve new businesses and homes.	7. The water treatment system project was completed in September 2018 and is now active
8. Develop a groundwater management plan as well as Monitoring Plan	8. Completed in November 2015. Monitoring Plan is on-going on annual basis. An annual report for the year 2018 was completed in January 2019
9. Complete the Runnymede Storm Drain Phase II & O'Connor Pump Station Outfall Projects to reduce local storm flooding for a large portion of the city, including the Ravenswood area.	9. Construction work was completed in late 2017. The diversion system helped drain the City and prevented localized

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Administration Division

ACCOMPLISHMENTS

- | | |
|---|---|
| 10. Update the City Urban Water Management Plan. | flooding risk throughout the City
10. Underway, the plan will be adopted in June 2016 |
| 11. Work with the San Francisquito Creek Joint Powers Authority (SFCJPA) on the flood control projects to Provide flood protection from San Francisquito Creek and the San Francisco Bay. | 11. The San Frnaciquito Creek JPA has completed the construction of the Downstream if HWY 101, Phase I flood control project. The project was constructed over three years and the creek was opened in late 2019. This project resulted in huge benefits to the Gardens Neighborhood by preventing flooding from the Creek. The flow capacity of the creek was significantly increased due to the construction of flood walls and certified levees. |
| 12. Trash Capture Device at the O'Connor Pump Station Outfall | 12. Completed in December 2018 |

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Administration Division

OBJECTIVES

1. Complete the environmental and Design Phase for the new groundwater well at Pad D
2. Conduct in-house training for Maintenance Division staff to update them on construction methods, techniques and new tools to enhance quality and efficiency
3. Provide Engineering Division staff with training opportunities to improve performance.
4. Monitor and solicit grant opportunities to fund necessary ATP and SRTS cycles identified in the "Existing Conditions" report.
5. Complete Bay Road Phase II/III Improvements to serve the Ravenswood Business Park area
6. Design the University Avenue/Highway 101 Interchange Improvements Project
7. Complete the construction of the Pedestrian/Bicycle Overcrossing (POC) to enhance connectivity between areas east and west of Highway 10 and improve pedestrian and bicycle access.
8. Monitor and adjust the Gloria Way well water treatment system to provide redundancy in the water supply in case of water interruption or emergencies at the SFPUC Hetch Hetchy Water Supply Aqueduct System.
9. Continue a groundwater management and monitoring plan
10. Complete the Runnymede Storm Drain Phase II & O'Connor Pump Station Outfall Projects to reduce local storm flooding for a large portion of the city, including the Ravenswood area.
11. Update the City Water Master Plan
12. Work with the San Francisquito Creek Joint Powers Authority (SFCJPA) on the flood control projects to Provide flood protection from San Francisquito Creek and the San Francisco Bay.
13. Complete a new round of Sidewalk improvements project, Tier II
14. Complete a new Citywide Street Resurfacing Project
15. Add more Streetlights at needed locations throughout the City
16. Complete the Mobility Study and program all the recommendations in the City CIP
17. Implement some of the ADA Transition Plan identified improvements and program them into the City CIP
18. Work with Palo Alto on the completion of design for the Newell Bridge Replacement Project.
19. Work with Caltrans on the completion of the Willow/HWY 101 Interchange Reconstruction Project
20. Complete Design and Construction of Addison Street Green Improvements Project
21. Ensure compliance with the MRP3 Water Discharge Permit and NPDES Compliance as mandated by the State Water Control Board
22. Replace about 100 Water Meters throughout the City as part of the Water Rate Capital Surcharge & Water Meter Replacement Surcharge
23. Street Sweeping Street Signs
24. Establish Water Interties with Palo Alto, PAPWMC, and the O'Connor Water Tract Systems
25. Increase water flow from the SFPUC by increasing the water meter sizes at the O'Brien

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PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Engineering Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	519,140	377,300	276,495	695,000	280,000
Assigned Funds/Pass-Through	4,750	-	6,700	-	355,000
Use of Resources	55,020	286,405	408,525	595,910	639,500
Special Revenue Funds	340	400	170	28,500	126,000
Capital Project Fund	(165)	420,000	501,750	558,000	150,000
Enterprise Funds	74,940	58,130	18,880	107,070	30,000
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	654,025	1,142,235	1,212,520	1,984,480	1,580,500

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Engineering Division	654,025	1,142,235	1,212,520	1,984,480	1,580,500
TOTAL	654,025	1,142,235	1,212,520	1,984,480	1,580,500

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	363,100	552,430	547,040	687,800	781,500
Subtotal	363,100	552,430	547,040	687,800	781,500
Supplies and Services					
Purchased Services	289,535	163,675	240,640	752,980	746,500
Supplies and Materials	1,390	3,130	4,840	3,700	12,500
Capital Expenditures	-	3,000	-	-	-
Other Expenditures	-	420,000	420,000	540,000	40,000
Subtotal	290,925	589,805	665,480	1,296,680	799,000
TOTAL	654,025	1,142,235	1,212,520	1,984,480	1,580,500

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Assistant/ Associate Civil Engineer	1.00	1.00	1.00	1.00	1.00
Associate Engineer	1.00	1.00	1.00	1.00	1.00
City Engineer	1.00	1.00	1.00	1.00	1.00
Public Works Inspector	1.00	1.00	1.00	1.00	1.00
Senior Engineer	1.00	1.00	1.00	1.00	1.00
TOTAL	5.00	5.00	5.00	5.00	5.00

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Engineering Division Summary

SERVICE DESCRIPTION

The Engineering Division develops and manages master infrastructure plans and capital projects to enhance community, economic and business development and retention. It manages the transportation network, coordinates maintenance of streets, facilities and infrastructure and provides development review services, ensuring adequate public improvements and services to existing and new development.

The Engineering Division is responsible for the maintenance and enhancement of existing infrastructure and public facilities as well as the design and construction of new public projects and infrastructure. Additionally, the Division is responsible for review and inspection of improvements required as part of new private developments. The Division provides primary support to the City's Public Works and Transportation Commission, in accordance with the Municipal Code.

The Division strategically addresses the following on an ongoing basis:

- Capital Improvement Program and projects;
- Storm drain and flood protection;
- Roads/traffic and transportation (new facilities, major rehabilitation and regular maintenance);
- Facilities and parks maintenance;
- Water utilities;
- NPDES and related Clean Water Act requirements;
- Land development/plan review;
- Encroachment & Grading Permits;
- Coordination with Caltrans and other agencies; and
- Disaster/emergency preparedness, mitigation, and recovery.

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Engineering Division Summary

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$160,070 (8.8%) from the Adopted FY 18-19 Budget to the Amended FY 18-19 Budget is due to additional outside engineering services (\$100,000) to reduce backload from 100% turnover in division.

The decrease of \$403,980 (-20.4%) from the Amended FY 18-19 Budget to the FY 19-20 Budget is primarily due to FY 2018-19 final payment of San Francisquito Creek JPA construction commitment for flood protection project.

Fiscal Year (FY)	Budget	\$ Change From Previous	% Change From Previous
2018-19 Adopted	\$1,824,410		
2018-19 Amended	\$1,984,480	\$160,070	8.8%
2019-20 Budget	\$1,580,500	(\$403,980)	-20.4%

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Engineering Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Improve public services and performance of the Engineering Division and enhance communication/coordination among CEDD divisions.	1. Ongoing
2. Oversee the design and delivery of strategic capital improvement projects, including water and flood control, bridges, streets, bike/pedestrian projects.	2. Ongoing
3. Work closely with maintenance division to improve overall efficiency and quality of maintenance services of city infrastructure.	3. Ongoing
4. Adopt City Standard Plans and Specifications and boiler plate to address current codes and reflect the needs of the City of East Palo Alto	4. Ongoing
5. Work on a comprehensive and feasible traffic circulation and parking study (Mobility Study) to address parking problems and focus on pedestrian safety and accessibility (starting in The Gardens neighborhood)	5. In progress
6. Conduct in-house training for Maintenance Division staff to update them on construction methods, techniques and new tools to enhance quality and efficiency	6. Ongoing
7. Provide Engineering Division staff with training opportunities to improve performance.	7. Ongoing
8. Complete Safe Routes To School (SRTS) project construction	8. Completed
9. Monitor and solicit grant opportunities to fund necessary SRTS cycles identified in the "Existing Conditions" report.	9. Ongoing
10. Complete Bay Road Phase II/III Improvements to serve the Ravenswood Business Park area	10. Design package completed.
11. Design the University Avenue/Highway 101 Interchange improvements as well as the Pedestrian/Bicycle Overcrossing to enhance connectivity between areas east and west of Highway 10 and improve pedestrian and bicycle access.	11. In Progress
12. Reactivate the Gloria Way well to serve new businesses and homes.	12. The water treatment system project was completed in September 2018 and is now active. Monitoring work is ongoing.

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Engineering Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
13. Complete the Runnymede Storm Drain Phase II & O'Connor Pump Station Outfall Projects to reduce local storm flooding for a large portion of the city, including the Ravenswood area.	13. Completed
14. Update the City Urban Water Management Plan.	14. Completed
15. Work with the San Francisquito Creek Joint Powers Authority (SFCJPA) on the flood control projects to Provide flood protection from San Francisquito Creek and the San Francisco Bay.	15. Completed
16. Trash Capture Device at the O'Conner Pump Station Outfall	16. Completed
17. Complete construction on the Cooley Landing Phase IV and V Project	17. Completed
18. Complete construction on the Highway 101/Clarke Avenue Pedestrian Overcrossing	18. Completed
19. Complete the Street Sweeping Signage project	19. In progress
20. Complete the City ADA Transition Plan	20. Completed
21. Complete the overhead utility undergrounding along Bay Road	21. Completed
22. Provide support in preparation of the AHSC grant application	22. Completed
23. Review and provide comments on private development projects	23. Reviewed 70 medium scale private development projects and 14 major development projects
24. Review and process Grading, Encroachment, and Transportation Permits	24. 170 Encroachment Permits issued, 3 grading permits issued, and 19 transportation permits issued

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Engineering Division

ACCOMPLISHMENTS

25. Coordinate with SamTrans for the installation of additional bus stops for East Palo Alto students

25. Ongoing

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Engineering Division

OBJECTIVES

1. Improve public services and performance of the Engineering Division and enhance communication/coordination among CEDD divisions.
2. Oversee the design and delivery of strategic capital improvement projects, including water and flood control, bridges, streets, bike/pedestrian projects.
3. Work closely with maintenance division to improve overall efficiency and quality of maintenance services of city infrastructure.
4. Adopt City Standard Plans and Specifications and boiler plate to address current codes and reflect the needs of the City of East Palo Alto
5. Work on a comprehensive and feasible traffic circulation and parking study (Mobility Study) to address parking problems and focus on pedestrian safety and accessibility (starting in The Gardens neighborhood)
6. Conduct in-house training for Maintenance Division staff to update them on construction methods, techniques and new tools to enhance quality and efficiency
7. Provide Engineering Division staff with training opportunities to improve performance.
8. Complete Safe Routes To School (SRTS) project construction
9. Monitor and solicit grant opportunities to fund necessary SRTS cycles identified in the "Existing Conditions" report.
10. Complete Bay Road Phase II/III Improvements to serve the Ravenswood Business Park area
11. Design the University Avenue/Highway 101 Interchange improvements as well as the Pedestrian/Bicycle Overcrossing to enhance connectivity between areas east and west of Highway 10 and improve pedestrian and bicycle access.
12. Reactivate the Gloria Way well to serve new businesses and homes.
13. Complete the Runnymede Storm Drain Phase II & O'Connor Pump Station Outfall Projects to reduce local

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Engineering Division

OBJECTIVES

storm flooding for a large portion of the city, including the Ravenswood area.

14. Update the City Urban Water Management Plan.
15. Work with the San Francisquito Creek Joint Powers Authority (SFCJPA) on the flood control projects to Provide flood protection from San Francisquito Creek and the San Francisco Bay.
16. Trash Capture Device at the O'Conner Pump Station Outfall
17. Complete construction on the Cooley Landing Phase IV and V Project
18. Complete construction on the Highway 101/Clarke Avenue Pedestrian Overcrossing
19. Complete the Street Sweeping Signage project
20. Complete the City ADA Transition Plan
21. Complete the overhead utility undergrounding along Bay Road
22. Provide support in preparation of the AHSC grant application
23. Review and provide comments on private development projects
24. Review and process Grading, Encroachment, and Transportation Permits
25. Coordinate with SamTrans for the installation of additional bus stops for East Palo Alto students

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Maintenance Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	16,445	35,070	396,145	75,000	60,000
Use of Resources	1,429,065	1,527,570	1,621,735	1,913,300	2,012,370
Special Revenue Funds	757,135	589,840	683,070	1,015,530	1,078,110
Capital Project Fund	-	-	-	-	-
Enterprise Funds	79,835	81,980	78,480	90,800	84,850
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	2,282,480	2,234,460	2,779,430	3,094,630	3,235,330

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Maintenance Division	2,282,480	2,234,460	2,779,430	3,094,630	3,235,330
TOTAL	2,282,480	2,234,460	2,779,430	3,094,630	3,235,330

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	1,230,620	1,135,540	1,162,580	1,363,700	1,418,230
Subtotal	1,230,620	1,135,540	1,162,580	1,363,700	1,418,230
Supplies and Services					
Purchased Services	718,350	665,995	806,870	1,093,930	1,117,600
Supplies and Materials	322,990	386,110	423,390	567,000	625,000
Capital Expenditures	10,520	46,815	386,590	70,000	74,500
Other Expenditures	-	-	-	-	-
Subtotal	1,051,860	1,098,920	1,616,850	1,730,930	1,817,100
TOTAL	2,282,480	2,234,460	2,779,430	3,094,630	3,235,330

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Maintenance Division Manager	1.00	1.00	1.00	1.00	1.00
Electrician	1.00	1.00	-	-	-
Maintenance Worker I	4.00	4.00	4.00	4.00	4.00
Maintenance Worker II	3.00	3.00	4.00	4.00	4.00
Maintenance Worker III	2.00	2.00	2.00	2.00	2.00
Secretary I	1.00	1.00	1.00	1.00	1.00
TOTAL	12.00	12.00	12.00	12.00	12.00

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Maintenance Division

SERVICE DESCRIPTION

The Maintenance Division provides maintenance of parks, open spaces, medians, street, streetlights, sidewalks, and facilities. The Division operates and manages storm drain facilities including the O'Connor Pump Station. The Division addresses graffiti abatement in public areas, manages fleet services, and manages other contract services.

The Maintenance Division is responsible for the day-to-day maintenance of all City-owned facilities, parks and infrastructure. It coordinates and assists other departments with the use of City facilities during special events, holidays, as well as the general use of City facilities and parks on a continuous basis. Under the direct supervision of the Maintenance Division Manager, the Division has a staffing level of 12 positions.

Emphasis for Fiscal Year 2019-20 will be on improving operational efficiencies and enhancing preventive maintenance efforts for the following assignments:

- **Drainage District:** Maintain the citywide storm drainage system, including operation of O'Connor pump station. Ensure compliance with National Pollution Discharge Elimination System (NPDES) mandates of the San Francisco Bay Regional Water Quality Control Board.
- **Facilities:** Provide maintenance services to the Senior Center, Police Department, Corporation Yard, Community Development, Cooley Landing, Reentry Program, Space at YMCA, Jack Farrell and MLK Park concession buildings.
- **Parks:** Maintain all City Parks: Martin Luther King Jr., Jack Farrell, Bell Street, Joel Davis, Cooley Landing, and the Newbridge and Bay Road pocket parks.
- **Open Space Landscaping:** Maintaining street medians, alleyways, sound walls, and the Rail Spurs.
- **Trees:** Prune and maintain health of approximately 6,000 trees in public right of ways.
- **Graffiti Abatement Program:** Remove graffiti in public right of way, facilities, bus shelters, parks, regulatory signs, and the pump station.
- **Sidewalks:** Repair broken and uplifted sidewalks to prevent trips and falls.
- **Street:** Maintain existing streets and shoulders, and repair potholes throughout the city.
- **Regulatory Signage:** Install new regulatory signage and repair damaged signage.
- **Red Curb:** Maintain over four (4) miles of red curbs (no parking zones) throughout the City.
- **Traffic Signal:** Ensure proper function of traffic signals at 13 intersections and contract.
- **Street Lighting:** Maintain approximately 1000 LED street lights.
- **Illegal Dumping:** Report illegal dumping to the Recology of San Mateo.
- **Street Sweeping Program:** Install new signage; repair damaged signs.

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Maintenance Division

- **Fleet:** Manage repair and services of Community Development and Public Works Department vehicles.
- **Contract Services:** Manage multiple municipal service contracts.
- **After Hours Emergency:** Respond to afterhours emergencies, and maintain a list of on-call personnel.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$77,730 (2.6%) from the Adopted FY 18-19 Budget to the Amended FY 18-19 Budget is due to increases in janitorial services and Grassroots Ecology planting costs at Cooley Landing.

The increase of \$140,700 (4.5%) from the Amended FY 18-19 Budget to the FY 19-20 Budget is due to personnel and operating cost increases (\$54,530), and increased capital costs related to storm drain, pump station, and trash capture device safety improvements.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$3,016,900		
2018-19 Amended	\$3,094,630	\$77,730	2.6%
2019-20 Budget	\$3,235,330	\$140,700	4.5%

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Maintenance Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Continue to explore and evaluate a preventive maintenance program. Assess the maintenance requirements of all City infrastructure and facilities, identify inefficiencies and backlog, and develop an assignment schedule for staff and resource allocation.	1. Completed
2. Explore opportunities for contracting additional services as a means to reduce costs, increase efficiency, and focus staff more on preventive maintenance.	2. Completed
3. Evaluate and improve National Pollution Discharge Elimination System (NPDES) related functions with emphasis on addressing ongoing/annual clean out of drainage system manholes, and implementation of long-term trash reduction efforts.	3. Completed
4. Collaborate with the Police Department, neighborhood groups, and other stakeholders to supplement Maintenance Division's graffiti abatement efforts.	4. In progress
5. Initiate maintenance responsibility of Cooley Landing Park.	5. In progress
6. Initiate installation of fitness equipment in parks and program for artistic painting of utility boxes.	6. Not completed

PUBLIC WORKS DEPARTMENT

FY 2019-2020 Budget

Maintenance Division

OBJECTIVES

1. To upgrade the pump control SCADA system for O'Connor Pump Station Operation.
2. To assist Engineering Department replacing one diesel pump with an electric pump at the pump station.
3. To implement preventive maintenance plan for Cooley Landing facility.
4. To ensure that State required safety training is implemented and to identify the certifications for certain classifications are obtained by Maintenance Division employees.

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POLICE DEPARTMENT

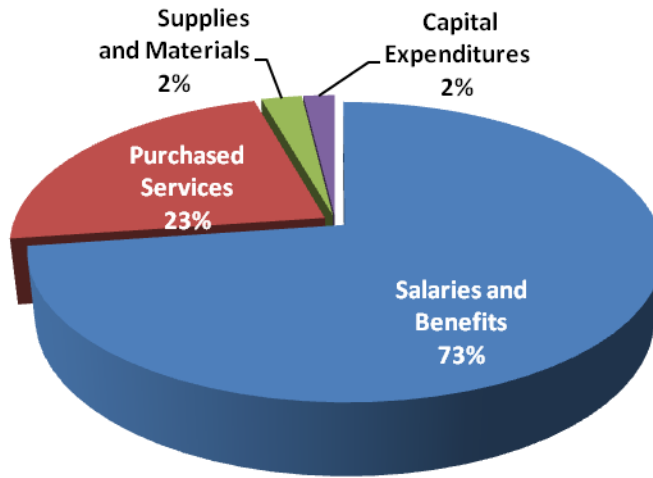
FY 2019-20 Budget

FY 2019-20

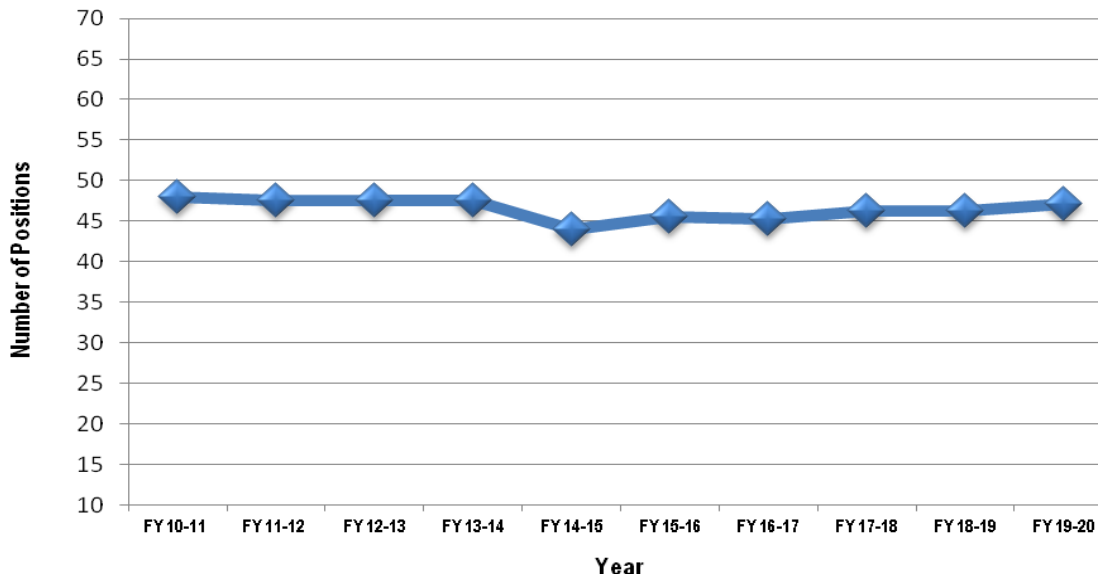
Operating \$ 12,532,400

Positions 47.15

CHARACTER OF EXPENDITURES



AUTHORIZED STRENGTH



POLICE DEPARTMENT

FY 2019-2020 Budget

Department Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	574,595	480,050	595,725	415,500	460,500
Assigned Funds	345,140	423,125	255,840	390,050	250,000
Use of Resources	8,871,935	8,762,565	9,226,435	10,970,305	11,646,900
Special Revenue Funds	474,120	548,730	119,780	243,305	175,000
Capital Project Fund	-	-	-	50,000	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	10,265,790	10,214,470	10,197,780	12,069,160	12,532,400

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	3,851,550	4,112,760	3,902,060	4,726,560	4,653,900
Investigations Division	1,421,320	1,281,545	1,431,740	1,356,300	1,609,830
Operations Division	4,992,925	4,820,165	4,863,980	5,986,300	6,268,670
TOTAL	10,265,795	10,214,470	10,197,780	12,069,160	12,532,400

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	7,203,080	7,071,870	7,346,510	8,508,700	9,116,900
Subtotal	7,203,080	7,071,870	7,346,510	8,508,700	9,116,900
Supplies and Services					
Purchased Services	2,668,270	2,510,265	2,328,180	2,689,510	2,862,900
Supplies and Materials	278,485	279,075	320,800	348,100	312,600
Capital Expenditures	115,960	353,260	202,290	522,850	240,000
Other Expenditures	-	-	-	-	-
Subtotal	3,062,715	3,142,600	2,851,270	3,560,460	3,415,500
TOTAL	10,265,795	10,214,470	10,197,780	12,069,160	12,532,400

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	8.00	8.00	9.00	9.00	9.00
Investigations Division	8.00	8.25	8.25	8.25	10.15
Operations Division	29.50	29.00	29.00	29.00	28.00
TOTAL	45.50	45.25	46.25	46.25	47.15

POLICE DEPARTMENT

FY 2019-2020 Budget

Department Summary

MISSION STATEMENT

The Mission of the East Palo Alto Police Department is to provide quality police service and work in partnership with the community to preserve the peace, establish a safe environment and do so with emphasis on mutual trust and respect.

BUDGET ORGANIZATION AND THE STRATEGIC PRIORITIES

The Divisions of the Police Department consist of Administration, Investigations and Operations. The Department currently has a staffing level of 47.15 funded positions (36.45 sworn, 8 FTE-civilian and 6PT-CSA's).

The emphasis of Fiscal Year 2019-20 budget is to maintain current service levels to the public. Attention will be focused on the priority of employee and organizational development, as well as community policing and crime reduction. In addition, the department will focus on ongoing maintenance of mandated services for general law enforcement, vehicle abatement and emergency response (as a single agency or in concert with other federal, state, and/or local agencies). The Police Department will strive for successful completion of the following strategic priorities:

Operations:

1. Assigned vehicles for improved fleet maintenance and accountability
2. Major Accident Investigation Team (MAIT) training
3. Crisis Intervention training for Officers
4. Firearms Force on force training exercise
5. Active shooter practical training exercise

Investigations:

1. Supporting City Planners work on Medical Marijuana growing & delivery ordinance
2. Reorganization of case and evidence files
3. Auditing the homicide clearance rates for the past several years
4. Train new CSA's on proper procedures related to citations, reports & community policing

Administration:

1. Public Records Law training for Records staff
2. Continue with gun inventory audit
3. Provide RIMS training for Officers
4. Purge outdated warrants from the system
5. Purge documents as part of the Records destruction Schedule
6. Provide workplace violence & CPR/AED training

POLICE DEPARTMENT

FY 2019-2020 Budget

Administration Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	338,140	395,780	241,505	390,050	250,000
Use of Resources	3,455,355	3,609,780	3,586,595	4,130,105	4,331,900
Special Revenue Funds	58,050	107,200	73,960	156,405	72,000
Capital Project Fund	-	-	-	50,000	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	3,851,545	4,112,760	3,902,060	4,726,560	4,653,900

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Division	3,851,550	4,112,760	3,902,060	4,726,560	4,653,900
TOTAL	3,851,550	4,112,760	3,902,060	4,726,560	4,653,900

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	890,250	1,091,170	1,188,080	1,292,100	1,365,500
Subtotal	890,250	1,091,170	1,188,080	1,292,100	1,365,500
Supplies and Services					
Purchased Services	2,668,010	2,480,225	2,315,750	2,688,510	2,862,400
Supplies and Materials	177,330	188,105	195,940	223,100	186,000
Capital Expenditures	115,960	353,260	202,290	522,850	240,000
Other Expenditures	-	-	-	-	-
Subtotal	2,961,300	3,021,590	2,713,980	3,434,460	3,288,400
TOTAL	3,851,550	4,112,760	3,902,060	4,726,560	4,653,900

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Administration Services Manager	1.00	1.00	1.00	1.00	1.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Property Officer	1.00	1.00	1.00	1.00	1.00
Police Record's Clerk I/II	3.00	3.00	4.00	4.00	4.00
Police Record's Supervisor	1.00	1.00	1.00	1.00	1.00
Police Sergeant	1.00	1.00	1.00	1.00	1.00
TOTAL	8.00	8.00	9.00	9.00	9.00

POLICE DEPARTMENT

FY 2019-2020 Budget

Administration Division Summary

SERVICE DESCRIPTION

The Administration Division provides direction, coordination and oversight to police employees and operations involving grants, contracts, policy matters, training, discipline, and purchasing.

Under supervision of the Chief of Police, Professional Conduct Unit-Sergeant and the Administrative Services Manager, the Division is comprised of the Records Section, Property and Evidence Unit. The Administration Division has a direct staffing level of 9 positions.

SIGNIFICANT CHANGES

FY 2018-2018 to FY 2019-2020 Budget:

The increase of \$241,350 (5.4%) from the Adopted FY 2018-19 Budget to the Amended FY 2018-19 Budget is due to contract for body-worn cameras replacement (\$138,000), and appropriations for donor-funded equipment.

The decrease of \$72,660 (-1.5%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget primarily is due to reduced capital equipment purchases (\$282,850); offset by salary step and benefit increases and increases in purchased services, primarily related to San Mateo County Dispatch and Animal Control.

Fiscal Year (FY)	Budget	\$ Change From Previous FY	% Change From Previous FY
2018-19 Adopted	\$4,485,210		
2018-19 Amended	\$4,726,560	\$241,350	5.4%
2019-20 Budget	\$4,653,900	(\$72,660)	-1.5%

POLICE DEPARTMENT

FY 2019-2020 Budget

Administration Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Review of existing policies and creation of new policy manual	1. Completed
2. Revise warrant entry procedure in RIMS for better tracking	2. Completed
3. Public Records Law training for Records Staff	3. Completed
4. Continue with Gun inventory audit	4. On-Going
5. Provide RIMS training for Officers	5. On- Going
6. Purge outdated warrants from the system	6. In Process
7. Purge documents as part of the Records destruction Schedule	7. Completed
8. Provide workplace violence & CPR/AED training	8. Completed
9. Move Evidence Room to 219 Demeter St.	9. Completed
10. Implement Body Worn Camera Program	10. On-Going

POLICE DEPARTMENT

FY 2019-2020 Budget

Administration Division

OBJECTIVES

1. Revise warrant entry procedure into RIMS for better tracking
2. Provide Public Records Law training for Records staff
3. Continue conducting gun inventory audit
4. Provide RIMS training for Police Officers
5. Purge outdated warrants from the system
6. Purge documents as part of the Records destruction Schedule
7. Provide work place violence & CPR/AED training
8. Administer a Truancy Program
9. Work on City Master Plan for the New Police Department Facility

POLICE DEPARTMENT

FY 2019-2020 Budget

Investigations Division

Division Summary

SOURCES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	-	391,870	508,035	340,000	375,000
Assigned Funds	-	-	10,650	-	-
Use of Resources	1,378,575	833,995	867,235	967,000	1,181,830
Special Revenue Funds	42,745	55,680	45,820	49,300	53,000
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	1,421,320	1,281,545	1,431,740	1,356,300	1,609,830

EXPENDITURES BY DIVISION

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Investigations Division	1,421,320	1,281,545	1,431,740	1,356,300	1,609,830
TOTAL	1,421,320	1,281,545	1,431,740	1,356,300	1,609,830

CHARACTER OF EXPENDITURES

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	1,421,245	1,279,690	1,413,860	1,345,300	1,603,230
Subtotal	1,421,245	1,279,690	1,413,860	1,345,300	1,603,230
Supplies and Services					
Purchased Services	75	1,580	7,230	1,000	-
Supplies and Materials	-	275	10,650	10,000	6,600
Capital Expenditures	-	-	-	-	-
Other Expenditures	-	-	-	-	-
Subtotal	75	1,855	17,880	11,000	6,600
TOTAL	1,421,320	1,281,545	1,431,740	1,356,300	1,609,830

AUTHORIZED STRENGTH

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Commander	1.00	1.00	1.00	1.00	1.00
*Police Officer	7.00	4.00	4.00	4.00	5.00
*Community Services Officer	-	1.00	1.00	1.00	1.00
Cold Case Investigator (PT)	-	0.45	0.45	0.45	0.45
**Community Service Aide (6 PT)	-	1.35	1.80	1.80	2.70
TOTAL	8.00	7.80	8.25	8.25	10.15

*Positions transferred from Operations Division.

**Three part-time positions transferred from Operations; additional positions added in FY 16-18, FY 19-20

POLICE DEPARTMENT

FY 2019-2020 Budget

Investigations Division Summary

SERVICE DESCRIPTION

The Investigations Division conducts all major criminal investigations, including homicides and aggravated assaults.

Under the direct supervision of the Criminal Investigations Commander, the Investigations Division is comprised of (4) Police Officers (Detectives), a Community Services Officer, a part-time Cold Case detective, and four (4) part-time community service aides. Police Officers assigned to the Investigations Division include 4 detectives assigned to criminal investigations, and a Part-time/ Grant Funded Detective Investigating “Cold Case” Homicides.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$253,530 (18.7%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget is due primarily to an increase in personnel costs, and one officer transferred from Operations to Investigations Division.

Fiscal Year (FY)	Budget	\$ Change From Previous	% Change From Previous
2018-19 Adopted	\$1,356,300		
2018-19 Amended	\$1,356,300	\$0	0.0%
2019-20 Budget	\$1,609,830	\$253,530	18.7%

POLICE DEPARTMENT

FY 2019-2020 Budget

Investigations Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. Review of existing policies and creation of new policy manual	1. Completed
2. Recertification of the Field Training Program with POST	2. Completed
3. Supporting City Planners work on Medical Marijuana growing & delivery ordinance.	3. On-Going
4. Reorganization of case and evidence files	4. Completed
5. Auditing the homicide clearance rates for the past several years	5. Completed
6. Assist with the move of Property & Evidence from 2415 University to 219 Demeter	6. Completed
7. Train New CSA's on proper procedures related to citation, report & community policing	7. On- Going

POLICE DEPARTMENT

FY 2019-2020 Budget

Investigations Division

OBJECTIVES

1. Supporting City Planners work on Medical Marijuana growing & delivery ordinance
2. Reorganization of case and evidence files
3. Train new CSA's on proper procedures related to citations, reports & community policing
4. Train New Detectives for CID
5. Streamline cross-reports tracking and follow up procedure

POLICE DEPARTMENT

FY 2019-2020 Budget

Operations Division

Division Summary

SOURCES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
General Fund					
Charges/Fees for Services	574,595	88,180	87,690	75,500	85,500
Assigned Funds	7,000	27,345	3,685	-	-
Use of Resources	4,038,005	4,318,790	4,772,605	5,873,200	6,133,170
Special Revenue Funds	373,325	385,850	-	37,600	50,000
Capital Project Fund	-	-	-	-	-
Enterprise Funds	-	-	-	-	-
Successory Agency Trust Fund	-	-	-	-	-
TOTAL	4,992,925	4,820,165	4,863,980	5,986,300	6,268,670

EXPENDITURES BY DIVISION	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Operations Division	4,992,925	4,820,165	4,863,980	5,986,300	6,268,670
TOTAL	4,992,925	4,820,165	4,863,980	5,986,300	6,268,670

CHARACTER OF EXPENDITURES	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Personnel					
Salaries and Benefits	4,891,585	4,701,010	4,744,570	5,871,300	6,148,170
Subtotal	4,891,585	4,701,010	4,744,570	5,871,300	6,148,170
Supplies and Services					
Purchased Services	185	28,460	5,200	-	500
Supplies and Materials	101,155	90,695	114,210	115,000	120,000
Capital Expenditures	-	-	-	-	-
Other Expenditures	-	-	-	-	-
Subtotal	101,340	119,155	119,410	115,000	120,500
TOTAL	4,992,925	4,820,165	4,863,980	5,986,300	6,268,670

AUTHORIZED STRENGTH	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Amended	FY 2019-20 Budget
Commander	1.00	1.00	1.00	1.00	1.00
Police Sergeant	4.00	4.00	4.00	4.00	4.00
*Police Officer	21.00	24.00	24.00	24.00	23.00
**Code Enforcement Officer II	1.00	-	-	-	-
*Community Service Officer	1.00	-	-	-	-
**Community Service Aide (3 PT)	1.50	-	-	-	-
TOTAL	29.50	29.00	29.00	29.00	28.00

*Position transferred to Investigations Division.

**Position transferred to Building Services Division.

POLICE DEPARTMENT

FY 2019-2020 Budget

Operations Division Summary

SERVICE DESCRIPTION

The Operations Division provides effective police services throughout the City, handles calls for service, engages in problem-solving with the community, and keeps the peace.

Under direction of the Chief of Police, the Operations Division is led by (1) Commander. The Operations Division performs police patrols, calls for service response, traffic enforcement, and special enforcement activities. The Operations Division has a direct staffing level of 29 positions.

SIGNIFICANT CHANGES

FY 2018-2019 to FY 2019-2020 Budget:

The increase of \$37,600 (0.6%) from the Adopted FY 2018-19 Budget to the Amended FY 2018-19 Budget is due to appropriation for Measure C-funded overtime.

The increase of \$282,370 (4.7%) from the Amended FY 2018-19 Budget to the FY 2019-20 Budget is due primarily to personnel costs increases net of one officer transferred to the Detective division.

Fiscal Year (FY)	Budget	\$ Change From Previous	% Change From Previous
2018-19 Adopted	\$5,948,700		
2018-19 Amended	\$5,986,300	\$37,600	0.6%
2019-20 Budget	\$6,268,670	\$282,370	4.7%

POLICE DEPARTMENT

FY 2019-2020 Budget

Operations Division

ACCOMPLISHMENTS

OBJECTIVE	RESULT
-----------	--------

- | | |
|--|--------------|
| 1. Review of existing policies and creation of new policy manual | 1. Completed |
| 2. Assigned vehicles for improved fleet maintenance and accountability | 2. On-Going |
| 3. Crisis Negotiation Unit Officer selection and training | 3. Completed |
| 4. Crisis Intervention Training for Officers | 4. On-Going |
| 5. Major Accident Investigation Team (MAIT) training | 5. Completed |
| 6. Firearms Force on force training exercise | 6. On-Going |
| 7. Active shooter practical training exercise | 7. On- Going |
| 8. Study of Body worn camera use, policies, and case law | 8. Completed |

POLICE DEPARTMENT

FY 2019-2020 Budget

Operations Division

OBJECTIVES

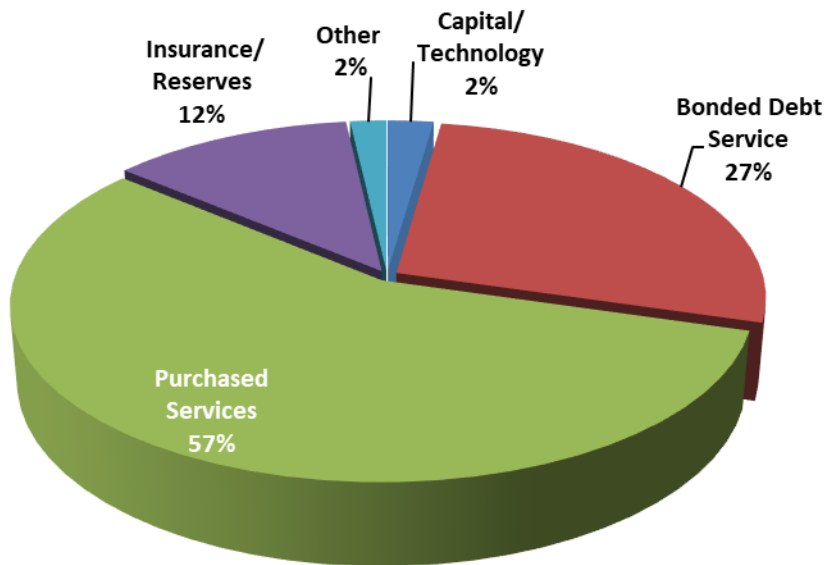
1. Assigned vehicles for improved fleet maintenance and accountability
2. Crisis Intervention Training for New Officers
3. Major Accident Investigation Team (MAIT) training
4. Firearms Force on force training exercise
5. Active shooter practical training exercise
6. Implement Body worn camera use

NON-DEPARTMENTAL

FY 2019-2020 Budget

FY 2019-20
Operating \$6,106,200

CHARACTER OF EXPENDITURES



NON-DEPARTMENTAL

FY 2019-2020 Budget

Department Summary

SOURCES	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	Actual	Actual	Actual	Amended	Budget
General Fund					
Charges/Fees for Services	-	-	-	-	-
Assigned Funds	381,140	280,835	292,310	725,000	750,200
Use of Resources	532,680	410,175	371,965	526,240	843,200
Special Revenue Funds	109,145	199,035	253,800	480,140	255,900
Capital Project Fund	-	139,890	400	-	-
Enterprise Funds	2,414,545	2,488,975	2,292,040	2,434,000	2,529,900
Successory Agency Trust Fund	1,800,280	713,705	718,270	1,808,650	1,727,000
	5,237,790	4,232,615	3,928,785	5,974,030	6,106,200

EXPENDITURES BY DEPARTMENT	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	Actual	Actual	Actual	Amended	Budget
Capital Technology/Depreciation*	278,345	195,290	198,380	225,000	140,000
Subtotal	278,345	195,290	198,380	225,000	140,000
Debt Service and Related (Successor)	1,767,285	629,210	697,770	1,729,150	1,661,500
Subtotal	1,767,285	629,210	697,770	1,729,150	1,661,500
Insurance and Settlements	258,070	225,005	242,825	450,000	460,000
Subtotal	258,070	225,005	242,825	450,000	460,000
Other Non-Departmental					
Purchased Services	2,872,220	3,039,845	2,732,560	3,226,030	3,454,000
Benefits and Other Reserves	-	-	-	-	280,000
Supplies and Materials	32,025	40,020	34,815	259,340	40,200
Low Income Housing Advances	-	67,945	-	60,000	60,000
Other Charges	29,845	35,300	22,435	24,510	10,500
Subtotal	2,934,090	3,183,110	2,789,810	3,569,880	3,844,700
TOTAL	5,237,790	4,232,615	3,928,785	5,974,030	6,106,200

Detail of Major Purchased Services:

Residential Garbage Services	2,084,215	2,207,125	2,081,670	2,400,000	2,500,000
Street Sweeping Services	113,820	140,880	149,150	160,000	160,000
Leases and Other Property Services	209,565	210,515	164,385	277,730	256,600
JPA Dues & Other Memberships	262,470	258,780	261,340	310,000	335,800
County Property Tax Administration	64,410	66,350	63,280	78,300	91,600
Lobbying and IT Services	123,705	15,810	11,580	-	110,000
Other Miscellaneous	14,035	140,385	1,155	-	-
Total	2,872,220	3,039,845	2,732,560	3,226,030	3,454,000

*Excludes Major Capital Improvement Projects and Departmental Capital

Miscellaneous

Introduction

This section contains the following items of interest:

MISC-3: Resolution No. 5136 establishing the
Appropriation Limit for FY 2019-20

MISC-7: Resolution No. 5135 adopting the FY 2019-20
Revenue and Expenditure Budget

MISC-10: FY 2019-20 Adopted Capital Improvement
Funding

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RESOLUTION NO. 5136

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
ESTABLISHING THE APPROPRIATION LIMIT
FOR FISCAL YEAR 2019-2020 AT \$32,668,760**

WHEREAS, the City is required to adopt a limit on appropriations subject to a formula outlined in Article XIIB of the California Constitution; and

WHEREAS, the California Constitution also requires a method of inflation be chosen; and

WHEREAS, the City elects to use the following factors relevant to the calculation of the Appropriation Limit for FY 2019-20:

- Per Capital Personal Income Change: Plus 3.85% (+ Three Point Eight Five Percent)
- County of San Mateo Population Adjustment: Plus 0.65% (+ Point Six Five Percent)

WHEREAS, an adjustment to the FY 2018-19 ending limit is necessary in order to conform required factor calculations for FY 2017-18 and FY 2018-19, and such ending limit is adjusted to \$31,369,806.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO as follows:

1. The Appropriation Limit for Fiscal Year 2019-20 shall be and is hereby set at \$32,668,760 pursuant to Exhibit A attached hereto and incorporated herein by this reference.
2. The Appropriation Limit of \$32,668,760 exceeds the Appropriations Subject to Limitation calculated in the amount of \$28,756,662 by \$3,912,098. Therefore, the City of East Palo Alto is in compliance with the provisions of Article XIII B of the State Constitution.

[SIGNATURES FOLLOW ON NEXT PAGE]

PASSED AND ADOPTED this 18th day of June 2019, by the following vote:

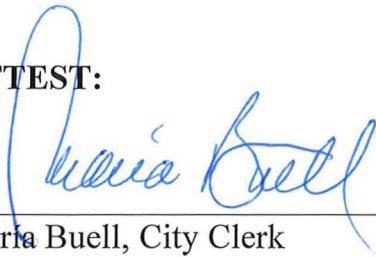
AYES: ABRICA, GAUTHIER, MOODY, ROMERO, WALLACE-JONES
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

SIGNED:



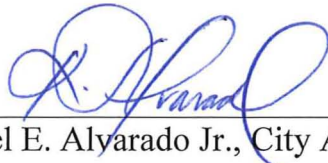
Lisa Gauthier, Mayor

ATTEST:



Maria Buell, City Clerk

APPROVED AS TO FORM:



Rafael E. Alvarado Jr., City Attorney

CITY OF EAST PALO ALTO
Appropriation Limit Calculation
2019-20

Executive Summary

An annual calculation of the City's appropriation limitation is required by Article XIII B of the California Constitution. City expenditures may increase only in relation to changes in per capita income or growth in non-residential assessment valuation, whichever is greater, and the population change for the City or County, whichever is greater.

The City's 2019-20 proposed budget appropriations that are subject to limitation are \$3,912,098 million under the limitation as shown below:

I.	Determination of Appropriation Limit: 2019-20 Appropriation Limit (Schedule 3)	\$32,668,760
II.	Determination of Appropriations Subject to Limitation: 2019-20 Revenue Sources for Appropriations (Schedule 2)	\$45,222,980
	Deductions of Exempt Revenues and Qualified Capital (Schedule 1)	<u>(16,466,318)</u>
	2019-20 Appropriations Subject to Limitation (Schedule 1)	<u>\$28,756,662</u>
III.	Amount Under/(Over) Appropriation Limit (I-II)	<u>\$3,912,098</u>
IV.	Remaining Capacity as a Percent of FY 2019-20 Limit	<u>11.98%</u>

CITY OF EAST PALO ALTO
Appropriation Limitation Calculation
2019-20

EXHIBIT A

Executive Summary

An annual calculation of the City's appropriation limitation is required by Article XIII B of the California Constitution. City expenditures may increase only in relation to changes in per capita income or growth in non-residential assessment valuation, whichever is greater, and the population change for the City or County, whichever is greater.

The City's 2019-20 proposed budget appropriations that are subject to limitation are \$3,912,098 million under the limitation as shown below:

I. Determination of Appropriation Limit:

2019-20 Appropriation Limit (Schedule 3)	\$	32,668,760
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II. Determination of Appropriations Subject to Limitation:

2019-20 Revenue Sources for Appropriations (Schedule 2)	\$	45,222,980
Deductions of Exempt Revenues and Qualified Capital (Schedule 1)		<u>(16,466,318)</u>

2019-20 Appropriations Subject to Limitation (Schedule 1)	\$	<u>28,756,662</u>
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III. Amount Under/(Over) Appropriation Limit (I-II)	\$	<u>3,912,098</u>
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IV. Remaining Capacity as a Percent of FY 2019-20 Limit		<u>11.98%</u>
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RESOLUTION NO. 5135

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
ADOPTING THE FISCAL YEAR 2019-20 REVENUE AND EXPENDITURE
BUDGET FOR THE CITY OF EAST PALO ALTO**

WHEREAS, City Council desires a spending plan for the City of East Palo Alto General, Special Revenue, Capital, Fiduciary, and Enterprise Funds in order to account for Fiscal Year 2019-20 anticipated revenues and to appropriate projected expenditures; and

WHEREAS, the City of East Palo Alto Municipal Code section 3.08.110 requires the adoption of an annual budget no later than June 30th prior to the beginning of the fiscal year; and

WHEREAS, the City Council held Budget Hearing Sessions between May 21, 2019 and June 4, 2019, including a final Budget Hearing on this date whereby such hearings were held to discuss the City’s anticipated revenues and expenditure programs and to obtain public comment regarding the Fiscal Year 2019-20 Budget excluding new capital funding; and

WHEREAS, such public hearings were duly noticed not less than seven days nor more than 21 days prior to the first hearing held on May 29, 2018 in accordance with East Palo Alto Municipal Code section 3.08.070; and

WHEREAS, the City Council further authorizes the use of available Reserve Balances totaling \$2,535,850, and the Finance Director asserts such funds are available, in order to fund certain capital improvements and other restricted fund operating deficits, as follows:

FY 2019-20 BUDGETED USE OF FUND RESERVES		
Fund	Description	Use of Reserves
011	IT Services and Replacement	\$ (40,000)
013	Self Insurance Fund	\$ (100,000)
016	Community Benefit	\$ (250,000)
204	Rent Stabilization	\$ (81,100)
207	Housing In Lieu	\$ (1,810,600)
208	Public Improvements in Lieu	\$ (35,000)
209	Housing Assistance	\$ (19,000)
233	Silicon Valley Community	\$ (126,100)
520	Garbage Service Fund	\$ (74,050)
TOTAL OF ALL FUNDS		\$ (2,535,850)

**NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF
THE CITY OF EAST PALO ALTO HEREBY:**

1. Adopts the FY 2019-20 Budget as follows:

CITY OF EAST PALO ALTO FY 2019-20 ADOPTED BUDGET SUMMARY BY FUND							
Fund	Description	Operating		Capital Improvement Plan	Operating Transfers		Net Change Fund Balance
		Revenues	Expenditures		In	Out	
010	General Fund	\$ 29,232,500	\$ (23,930,170)	\$ (1,350,000)	\$ -	\$ (3,462,000)	\$ 490,330
011	IT Replacement Fund	\$ -	\$ (1,050,000)	\$ (140,000)	\$ 1,150,000	\$ -	\$ (40,000)
012	Equipment & Vehicles	\$ -	\$ (225,000)	\$ -	\$ 275,000	\$ -	\$ 50,000
013	Self Insurance	\$ -	\$ (500,000)	\$ -	\$ 400,000	\$ -	\$ (100,000)
015	Contingency Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
016	Community Benefit Fund	\$ -	\$ (250,000)	\$ -	\$ -	\$ -	\$ (250,000)
017	Community Development Pass Thru	\$ 1,292,500	\$ (1,175,000)	\$ -	\$ -	\$ -	\$ 117,500
	ELIMINATING ENTRY	\$ -	\$ -	\$ -	\$ (1,825,000)	\$ 1,825,000	\$ -
	TOTAL GENERAL FUND	\$ 30,525,000	\$ (27,130,170)	\$ (1,490,000)	\$ -	\$ (1,637,000)	\$ 267,830
201	State Gas Tax	\$ 1,368,700	\$ (753,050)	\$ (546,500)	\$ 64,500	\$ -	\$ 133,650
202	Measure A	\$ 733,000	\$ (18,100)	\$ (530,000)	\$ -	\$ -	\$ 184,900
203	NPDES	\$ 217,000	\$ (536,900)	\$ -	\$ 321,900	\$ -	\$ 2,000
204	Rent Stabilization	\$ 538,000	\$ (619,100)	\$ -	\$ -	\$ -	\$ (81,100)
206	Park In Lieu	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000
207	Housing In Lieu	\$ 117,000	\$ (1,927,600)	\$ -	\$ -	\$ -	\$ (1,810,600)
208	Public Improvements In Lieu	\$ 15,000	\$ (50,000)	\$ -	\$ -	\$ -	\$ (35,000)
209	Housing Assistance Program	\$ 10,000	\$ (29,000)	\$ -	\$ -	\$ -	\$ (19,000)
213	Police Grants	\$ 179,000	\$ (175,000)	\$ -	\$ -	\$ -	\$ 4,000
215	Misc Federal and State Grants	\$ 53,800	\$ (52,800)	\$ -	\$ -	\$ -	\$ 1,000
218	Affordable Housing TOT	\$ 292,500	\$ -	\$ -	\$ -	\$ -	\$ 292,500
219	Measure HH	\$ 1,687,280	\$ (851,230)	\$ -	\$ -	\$ -	\$ 836,050
220	Lo-Mod Housing Successor Fund	\$ 79,000	\$ (244,000)	\$ -	\$ 442,940	\$ -	\$ 277,940
221	Lighting District	\$ 685,900	\$ (208,100)	\$ -	\$ -	\$ -	\$ 477,800
222	Drainage District	\$ 121,300	\$ (303,960)	\$ -	\$ 182,660	\$ -	\$ -
230	Local Grants	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
231	CYSFF Grant Fund	\$ 302,500	\$ (281,900)	\$ -	\$ -	\$ -	\$ 20,600
233	Silicon Valley Community	\$ 4,000	\$ (130,100)	\$ -	\$ -	\$ -	\$ (126,100)
234	County Measure W	\$ 270,000	\$ -	\$ -	\$ -	\$ -	\$ 270,000
301	Capital Improvement Fund	\$ 310,000	\$ (200,000)	\$ -	\$ 625,000	\$ -	\$ 735,000
510	Water Service Fund	\$ 410,000	\$ (139,700)	\$ -	\$ -	\$ -	\$ 270,300
511	Water Capital Fund	\$ 630,000	\$ -	\$ -	\$ -	\$ -	\$ 630,000
512	Water Meter Fund	\$ 335,000	\$ -	\$ -	\$ -	\$ -	\$ 335,000
513	Water Capacity Fee Fund	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
520	Garbage Service Fund	\$ 2,702,000	\$ (2,812,500)	\$ -	\$ -	\$ -	\$ (110,500)
926	Gateway Lo-Mod Housing	CLOSED					
927	University Circle Lo-Mod Housing	CLOSED					
928	Ravenswood Lo-Mod Housing	CLOSED					
	SUBTOTAL CITY OPERATING FUNDS	\$ 41,597,980	\$ (36,463,210)	\$ (2,566,500)	\$ 1,637,000	\$ (1,637,000)	\$ 2,568,270
705	Successor Agency Trust Fund	\$ 3,625,000	\$ (1,777,000)	\$ -	\$ -	\$ -	\$ 1,848,000
920	Successor Agency	CLOSED					
921	Successor Agency	CLOSED					
922	Successor Agency	CLOSED					
923	Successor Agency	CLOSED					
984	2015 Refunding Bonds	CLOSED					
	SUCCESSOR AGENCY TRUST	\$ 3,625,000	\$ (1,777,000)	\$ -	\$ -	\$ -	\$ 1,848,000
	TOTAL OF ALL FUNDS	\$ 45,222,980	\$ (38,240,210)	\$ (2,566,500)	\$ 1,637,000	\$ (1,637,000)	\$ 4,416,270

2. Authorizes the residual equity transfer of all balances and remaining accounts of closed former Redevelopment Agency Funds (F926, F927, F928) into the LMIF Housing Successor Special Revenue Fund (F220) as of July 1, 2019.

3. Authorizes separation and residual equity transfer of all balances and remaining accounts of the Affordable Housing TOT Fund (formally combined with F207 Housing in Lieu) to the Affordable Housing TOT Special Revenue Fund (F218) as of July 1, 2019.

BE IT FURTHER RESOLVED that, collectively, such appropriations are passed and adopted as the "FY 2019-20 Adopted Budget."

PASSED AND ADOPTED this 18th day of June 2019, by the following vote:


AYES: ROMERO, MOODY, ABRICA, GAUTHIER
NOES: WALLACE-JONES
ABSENT: NONE
ABSTAIN: NONE

SIGNED:



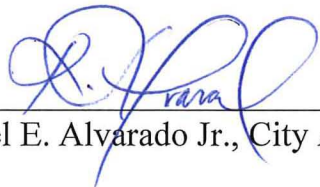
Lisa Gauthier, Mayor

ATTEST:



Maria Buell, City Clerk

APPROVED AS TO FORM:



Rafael E. Alvarado Jr., City Attorney

FY 2019-2020 Budget Capital Improvement Funding

PROJECT	FUND	SOURCE	TOTAL
Major Improvements	F010	General Fund	\$ 1,000,000
Sub-total General Fund			\$ 1,000,000
SB 1 Street Funding	F201	SB1 Funds	\$ 570,000
Sub-total State Gas Tax			\$ 570,000
City Hall Improvements	F301	GF - ERAF Transfer	\$ 200,000
Back Up Generator	F301	GF - ERAF Transfer	\$ 80,000
Sub-total Capital Transfers			\$ 280,000
TOTAL FY 2018-19 PROPOSED CIP FUNDING			\$ 1,850,000

Note:

Major CIP does not include certain capital studies and JPA payments budgeted in Departmental budgets.

Glossary

AB x1 26 - legislation adopted and signed by Governor Jerry Brown in June 2011 and upheld by the California Supreme Court in California Redevelopment Association, et al. v. Ana Matosantos, et al., which eliminated redevelopment agencies. As a result, the Redevelopment Agency of the City of East Palo Alto (RDA) was dissolved effective February 1, 2012. AB x1 26 provides that the City may become the Successor Agency to the Redevelopment Agency (affirmed by the City Council on January 10, 2012), and continue to satisfy “enforceable obligations” of the former RDA and administer the dissolution and wind down of the former RDA

AB 1484 - legislation adopted and signed by Governor Jerry Brown in June 2012 that amended various provisions of AB x1 26.

ADOPTED BUDGET - The City budget for a fiscal year, adopted by the City Council by resolution following the close of budget hearings.

APPROPRIATION - Legal authorization granted by City Council or other policy body to make expenditures and incur obligations for a specific purpose within a specific time frame.

ASSESSED VALUATION - A dollar value placed on real estate or other property by the County as a basis for levying property taxes.

AUDIT - A review of the City's accounts by an independent auditing firm to substantiate fiscal year-end balances and assure compliance with generally accepted standards for financial accounting and reporting.

AVAILABLE FUND BALANCE - The amount of fund balance available to finance appropriation requirements after deducting reserves.

BOND PROCEEDS - The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

BONDS - A certificate of debt issued by an entity, guaranteeing payment of the original investment, plus interest, by a specified future date.

BUDGET - A plan of financial operation, embodying an estimate of expenditures/ expenses for a given period (typically a fiscal year) and the means of financing them (revenue estimates). Upon approval by the City Council, the budget appropriation resolution is the legal basis for expenditures in the fiscal year.

BUDGET AUTHORITY - Under certain circumstances, the City Council may adjust the budgeted appropriations for reasons unforeseen at the time of the adoption of the original budget. Such amendments are made by Council resolution. The City Manager may make transfers of appropriations within a fund.

BUDGETARY CONTROL - The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

BUSINESS LICENSE TAX - This is a general tax on businesses for the privilege of conducting business within the city. Rates are set at each city's discretion but may not be discriminatory or confiscatory.

CAPITAL IMPROVEMENT BUDGET - Annual appropriations for capital improvement projects such as street improvements, building construction and various kinds of major facility maintenance. Capital projects are outlined in a five-year expenditure plan which details funding sources and expenditure amounts. They often are multi-year projects which require funding beyond the one-year period of the annual budget.

CAPITAL OUTLAY - Expenditures which result in the acquisition of, or addition to, fixed assets.

CAPITAL PROJECT - Any project having assets of significant value and a useful life of five years or more. Capital projects include the purchase of land, design, engineering, and construction of buildings, infrastructure such as streets, bridges, drainage, street lighting, water/sewer systems, etc. Capital projects may include the acquisition of heavy equipment management control technique of formal

budgetary and machinery or rolling stock using capital funding sources.

CAPITAL PROJECTS FUND - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

CAPITALIZATION POLICY - The criteria used by a government to determine which outlays should be reported as fixed assets.

CASH WITH FISCAL AGENT - An asset account reflecting deposits with fiscal agents, such as commercial banks, for the payment of bond principal and interest.

CAPITAL INVESTMENT PROGRAM (CIP) - A section in the five-year capital plan listing projects for which some level of funding is available.

COMMUNITY ORIENTED POLICING SERVICES (COPS) - A grant program supporting community involvement offered by the U.S. Department of Justice.

CONSUMER PRICE INDEX (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

CONTINGENCY - An amount of money appropriated for unforeseen expenditures. It is limited to not more than 15% of the appropriations in any fund.

CURRENT SERVICE CHARGES - These are charges imposed to support services provided to individuals. These charges may not exceed the cost of providing the service plus overhead. The rationale behind service charges is that certain services are primarily for the benefit of individuals rather than the general public.

DEBT SERVICE - Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or leasing arrangements.

DEBT SERVICE FUND - A fund established to account for the accumulation of resources for, and

the payment of, general long term debt principal and interest.

DEFICIT - An excess of expenditures or expenses over revenues (resources).

DEPARTMENT - An organizational unit comprised of divisions or programs. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

DEPRECIATION - (1) Expiration in the service life of fixed assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. (2) The portion of the cost of a fixed asset, other than wasting assets, charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

DESIGNATED FUND BALANCE- A portion of an unreserved fund balance that has been "earmarked" by the City Manager or the City Council for specified purposes.

DESIGNATION - An account containing money set aside by the City Council for a specific future use. Money in a designation is earmarked for specific use, but may not be legally restricted to that use.

DEVELOPMENT IMPACT FEES - Fees placed on the development of land or conditions required for the approval of a development project such as the donation ("dedication" or "exaction") of certain lands (or money) to specific public uses. The fees are typically justified as an offset to the future impact that development will have on existing infrastructure.

DIVISION - A sub-section (or activity) within a department which furthers the objectives of the City by providing specific services or programs.

ENCUMBERANCE - An anticipated expenditure committed for the payment of goods and services not yet received or paid for. Used in budgeting, encumbrances are not GAAP expenditures or liabilities, but represent the estimated amount of

expenditures ultimately to result if unperformed contracts in process are completed.

ENTERPRISE FUND - A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water, gas and electric utilities, airports, parking garages, or transit systems). In this case the governing body intends that costs (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. A fund established because the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management controls, accountability or other purposes.

ERAF - Educational Revenue Augmentation Fund. The state enacted legislation in 1992 whereby partial responsibility of funding education was shifted to local governments, directing specified amounts of local agency property taxes to be deposited into such funds to support schools.

EXCESS ERAF REFUND - Accounts for the remaining funds in ERAF account after the County of San Mateo has met the State's revenue limits for schools and community colleges. The revenue limit is based on several factors such as average daily attendance and cost of living increases. The excess is then refunded proportionally to each agency's contribution based on state statute.

EXPENDITURES - Monies spent, including current operating expenses, debt service and capital outlays.

EXPENSE - The actual spending of funds by an enterprise fund set aside by an appropriation.

FINES FORFEITURES AND PENALTIES - Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.

FISCAL YEAR - In accounting terms, it is the net of a twelve-month period used for budgeting and accounting purposes. For the City of East Palo Alto, the fiscal year is from July 1 to June 30.

FIXED ASSETS - Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, and improvements other than buildings and land. In the private sector, these assets are referred to most often as property, plant and equipment.

FORFEITURE- See Fines, forfeitures, and penalties.

FRANCHISES FEES- Fees paid to a municipality from a franchisee for "rental" or as a "toll" for the use of city streets and rights-of-way. The businesses required to pay franchise fees in East Palo Alto include utilities such as water, gas, electricity, cable television and solid waste collection and disposal. Telephone utilities are specifically exempted from franchise fees by State law.

FULL-TIME EQUIVALENT (FTE) - The amount of time a regular full or part-time position has been budgeted for in terms of the amount of time an employee works in a year. Except as noted, part-time services provided by casual/seasonal employees, such as those for summer recreation programs, are not included.

FUND - An independent fiscal and accounting entity with a self-balancing set of accounts. Examples are the General Fund, Special Revenue Funds, Capital Projects, Enterprise, and Internal Service Funds.

FUND BALANCE - The amount of financial resources available for use. Generally, this represents a summary of all the annual operating surpluses and deficits since the fund's inception.

FY - Fiscal year.

GASOLINE TAX (HIGHWAY USERS TAX) - The Gasoline Tax is a 26-cent per gallon tax on fuel used to propel a motor vehicle or aircraft. The use of these revenues is restricted to "research, planning, construction, improvement, maintenance, and operation of public streets and

highways or public mass transit guideways". The basic means of distribution to cities is population. The allocation formula is very complicated.

GENERAL FUND - The primary fund used to account for all revenues and expenditures of the City not legally restricted as to use. This fund is used to offset the cost of the City's general operations. Examples of departments financed by the General Fund include the Police and Administrative Support Services Departments, such as the City Manager's Office.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB) - A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

GRANT - Contributions, gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity or facility.

HOMEOWNER'S PROPERTY TAX RELIEF - Revenue from the state to offset city loss of property tax for state-imposed \$7,000 per dwelling homeowner exemption.

INFRASTRUCTURE - Facilities on which the continuance and growth of a community depend, such as streets and roads, sewers, public buildings, parks, etc.

INTRAFUND TRANSFERS - A transfer of moneys between departments in the same fund.

INVESTMENT EARNINGS - Revenue earned from the investment of idle public funds.

JOINING POWERS AUTHORITY - The Joint Exercise of Powers Act authorizes local public agencies to exercise common powers and to form joint powers authorities (JPAs) for the purpose of jointly receiving or providing specific services.

LEGAL LEVEL OF BUDGETARY CONTROL - The level at which spending in excess of budgeted amounts would be a violation of law.

LEVEL OF BUDGETARY CONTROL - One of the three possible levels of budgetary control and authority to which organizations, programs, activities and functions may be subject. These

levels of budgetary control are: (a) appropriated budget, (b) legally authorized non-appropriated budget review and approval process, which is outside the appropriated budget process or (c) non-budgeted financial activities, which are not subject to the appropriated budget and the appropriation process or to any legally authorized non-appropriated budget review and approval process, but still are relevant for sound financial management and oversight.

LEVY - (Verb) to impose taxes, special assessments or service charges for the support of governmental activities; (noun) the total amounts of taxes, and/or special assessments and/or service charges imposed by a governmental agency.

LICENSES AND PERMITS - Charge designed to reimburse City for costs of regulating activities being licensed, such as licensing of animals and bicycles, etc.

LIEN - A claim on assets, especially property, for the payment of taxes or utility service charges.

LIQUIDITY - Refers to the ability to rapidly convert an investment into cash.

LOCAL AGENCY INVESTMENT FUND (LAIF) - Was established by the state to enable treasurers to place idle funds in a pool for investment. Each agency is currently limited to LAIF to an investment of \$20 million plus any bond proceeds.

MISSION STATEMENT- A succinct description of the scope and purpose of a City department.

MEASURE C PARCEL TAX - A measure pass by the voters on the November 2006 ballot that calls for a 10 year special tax on all City parcels. Revenue generated from such tax will be used for public safety and crime prevention programs.

MOTOR VEHICLE IN-LIEU FEES - State residents pay a fee to the State each year that is computed as a percent of the depreciated value of their motor vehicles. Each city and county in California receives a portion, based on population, of the total motor vehicle license fees collected by the State. In 2004, the State reduced local government allocation from 2.0% to 0.67%. The difference of 1.33% was a swap for local property tax, now known as Property Tax in Lieu of VLF.

OBJECTIVES - The expected results or achievements of a budget activity which can be measured and achieved within a given time frame. Achievement of the objective advances the organization towards a corresponding goal.

OPERATING BUDGET - Annual appropriation of funds for on-going program costs, including salaries and benefits, services and supplies, debt service and capital outlay.

ORDINANCE - A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless preempted by a higher form of law. An ordinance has a higher legal

OTHER EXPENDITURES- This category reflects transfer outs of the General Fund and excise tax settlement payments. Transfers are used to move funds to other operating funds in order to finance the operations of another fund or to reimburse the other fund for certain services provided to the General Fund.

OTHER FINANCING SOURCES - Governmental fund general long-term debt proceeds, amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of general fixed assets, and operating transfers in.

OTHER FINANCING USES - Governmental fund operating transfers out and the amount of refunding bond proceeds deposited with the escrow agent. Such amounts are classified separately from expenditures on the governmental operating statement.

OTHER REVENUES - This category includes reimbursements from other government agencies, interest earned on investments and contributions. This category also includes some loan repayments made to the General Fund, i.e., from the Redevelopment Agency for budget purposes only.

OVERHEAD ALLOCATION - A methodology for identifying and allocating overhead, (indirect) costs incurred by central services departments to the direct cost programs.

OVERSIGHT BOARD – this board provides some oversight to the Successor Agency (see definition) and has the fiduciary responsibility to

holders of enforceable obligations and the taxing entities that benefit from the distribution of the revenues, especially property tax revenue.

PERFORMANCE MEASURE- An annual indicator of achievement or measures of prediction for a program of work unit as defined in the organization of the budget. Measures may be expressed as a number count, fraction, or a percent of achievement related to the size of the problem or service being provided.

PERMITS, FEES AND CHARGES FOR SERVICES- This category includes the City's charges and fees for licenses and permits issued by the City; as well as, the community development services of staff, provided to customers. The license and permit revenues are designed to reimburse the City for costs of regulating the activities being licensed. Fees and charges for services are imposed to support services provided to individuals and businesses.

PERS - Public Employees' Retirement System.

P.O.S.T - Peace Officer Standards and Training - a State reimbursement program for Police Officer Training.

PROPERTY TAX - Homes, businesses, and other taxable real and personal property are subject to a property tax rate of 1% of assessed value. Since Proposition 13 was enacted in 1978, the assessed valuation of real property in the "base year" of 1975-1976 may increase each year by the change in the Consumer Price Index (CPI), not to exceed 2% as long as it is held by the same owner. When there is a transfer of property ownership, or when property is newly constructed, it is reappraised at its current full market value. The property tax is imposed on real property (land and permanently attached improvements such as buildings) and tangible personal property (movable property) located within the state. By definition, this ad valorem tax is based on the property value, as defined in law, rather than on a fixed amount or benefit.

ADOPTED BUDGET - The financial and operating document submitted by the City Manager to the City Council for consideration.

PROPOSITION 13 - Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the maximum annual increase of any ad valorem tax on real property to 1% of the full cash value of such property.

PURCHASED SERVICES - This category covers a wide-range of services such as consulting services, outside professional, legal, and auditing services, county services, i.e., supplemental police patrol, and animal control services; City facilities maintenance services, etc.

RDA - Redevelopment Agency.

RECEIVABLES-REDEVELOPMENT

AGENCY- This receivable sets out amounts due the City from the Redevelopment Agency making those funds unavailable for appropriations until received.

REGULAR POSITION - Any permanent position in the classified service that is required to be filled through certification, or by provisional appointment.

REIMBURSEMENT FOR STATE MANDATED COSTS - Article XIII B, Section 6 of the California Constitution which requires the State to reimburse local agencies for the cost of state-imposed programs. Process is commonly called "SB 90" after its original 1972 legislation.

RESERVE - An account used to record a portion of the fund balance as legally segregated for a specific use, usually at a future time.

RESOLUTION - A special order of the City Council which has a lower legal standing than an ordinance.

REVENUES - Monies received or anticipated by a local government from both tax and non-tax sources during the fiscal year.

SALARIES AND BENEFITS - This major category accounts for full-time and part-time employees, overtime expenses and all employee benefits, such as medical, dental, retirement, life insurance, long term disability, and workers compensation. Where applicable, uniform allowance is also included in this category.

SALES TAX - This tax is levied on goods and services at the point-of-sale. Sales tax in San Mateo County is 8.25% of which approximately 1% is returned to East Palo Alto for those sales which take place in East Palo Alto.

SB 90 - Reimbursement process for state mandated costs, named after its original 1972 legislation.

SERVICE CHARGES - Charges imposed to support services to individuals or to cover the cost of providing such services. The fees charged are limited to the cost of providing the service or regulation required (plus overhead).

SERVICES - Expenditures/expenses for services.

SINGLE AUDIT - An audit performed in accordance with the Single Audit Act of 1984 and the Office of Management & Budget (OMB) Circular A-128, Audits of State and Local Governments. The Single Audit Act allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of the federal agencies.

SPECIAL REVENUE FUND - A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes. GAAP only require the use of special revenue funds when legally mandated.

SUCCESSOR AGENCY – designated as the entity to the former redevelopment agency. The agency is given the authority, rights, powers, duties, and obligations previously provided to the former redevelopment agency under the Community Redevelopment Law, except for those that were repealed, restricted or amended in Assembly Bill 1X26. The purpose of the agency are 1)make payments on the redevelopment agency's enforceable obligations; and 2)wind down the activities of the redevelopment agency.

SUPPLEMENTAL PROPERTY TAX - In the event a property changes ownership, the county collects a supplemental property tax assessment in the current tax year by determining a supplemental value. In future tax periods, the property carries the full cash value.

SUPPLIES AND MATERIALS - This category of expenses relates to supplies needed and required to operate as a cost of doing business. Some of the major supplies consist of general office supplies, safety supplies, utilities and fuel for City vehicles, etc.

TAX - Compulsory charge levied by a government for the purpose of financing services performed for the common benefit.

TAX ALLOCATED BONDS - Bonds issued by redevelopment agencies to revitalize blighted and economically depressed areas of the community and to promote economic growth.

TAX BASE - The objects or transactions to which a tax is applied (e.g., parcels of property, retail sales, etc.). State law or local ordinances define the tax base and the objects or transactions exempted from taxation.

TAX INCREMENT FINANCING - A tax incentive designed to attract business investment by dedicating to the project area the new property tax revenues generate by redevelopment. The increase in revenues (increment) is used to finance development-related costs in that district.

TAX RATE - The amount of tax applied to the tax base. The rate may be flat, incremental or a percentage of the tax base, or any other reasonable method.

TEMPORARY POSITION - A non-regular, temporary position created to meet a peak workload or other unusual work situation; can include seasonal or recurrent intermittent employment.

TRANSIENT OCCUPANCY TAX (TOT) - This is a general tax imposed on occupants for the privilege of occupying rooms in hotels, motels, inns, or other lodging facilities for 30 days or less. The current tax rate in East Palo Alto is 12%. Of the total tax anticipated to be received by the City, there is a 10% set-aside for children, youth, senior

and families services and another 10% for housing services for the residents of East Palo Alto.

TRUST FUNDS - Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

UNDESIGNATED FUND BALANCE - The City will maintain an Undesignated General Fund Balance to help mitigate the effects of such unanticipated situations as the following:

- a) Economic downturns
- b) Loss of revenues to or imposition of additional costs by other governmental agencies
- c) Errors in financial forecasting
- d) Natural disasters

UNRESERVED FUND BALANCE - That portion of a fund balance available for spending or appropriation in the future.

UTILITY USER'S TAX - This tax is imposed on the consumer (residential or commercial) of utilities – electric, gas, cable television, and telephone services. The current tax rate is 5%. The tax is collected by the companies providing the service as part of their billing process and is issued to the City.

VLF - See Motor Vehicle In-Lieu Fee.

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