

LAFAYETTE'S MUNICIPAL BUDGET

In December, the City Council approved an annual municipal budget of over \$23 million. This is the largest budget ever in Lafayette's history. Fortunately, last fiscal year, which concluded on June 30, 2000, was one of the best in the City's recent operating experience. We're happy to report that revenues were higher than expected while expenses were lower. This issue of *Vistas* will focus on explaining the sources of the City's revenue, and perhaps more importantly for the citizens of Lafayette, how the City uses these funds.

Revenues

Almost exclusively, revenues come from four sources: taxes, grants, distributions from government agencies, and fees for service. Unlike a private business who's funds can be used for any purpose, most of these funds have restricted uses. The City Council has discretionary control over only about 30% of the revenue – the so-called "General Fund". The remainder of the revenue comes with various "strings" attached. For example, funds received from government agencies are often earmarked for specific programs, such as traffic management or air quality improvement and must be spent on projects that accomplish these goals. Other revenues flow into "enterprise funds" which must be self-sufficient. This means that any revenues received as part of these programs go back to funding the same programs. For example, Lafayette's recreation classes are not subsidized by General Funds. Instead, they are funded entirely by the class and rental fees they generate, which is different than many other cities.

Expenditures

Over the years, when deciding how to allocate its resources, the Lafayette City Council has focused on providing basic services and implementing its mission to preserve and enhance the semi-rural character of the town. The spending

plans have remained remarkably consistent year after year, and are often referred to as the 4 Ps: Police, Parks, Planning and Public Works (including plugging potholes!). The most dramatic decision made by the Council in recent years has been the push to invest millions of dollars to rebuild the City's infrastructure. Over the span of five years, 1997 through 2001, Lafayette will spend more than \$30 million dollars on streets, signals, walkways and storm drains. This spending program has been funded by the voter-approved 1995 Road and Drain Bond, aggressive grant writing, and large allocations of General Fund dollars.

The Process

The budget process begins in January with a goal-setting meeting of the City Council. The meeting is open to the public, and will occur this year on January 29th. Having heard the City Council's goals, City department heads then prepare budgets that will implement those goals. The Administrative Services Director then spends the next few months reviewing new programs and on-going expenses

while developing a proposed budget. In May, the City Council holds public hearings to receive input about the proposed budget from residents and community groups. Depending on the issues, there may be public workshops to highlight specific provisions of one or more budget proposals. Once the discussions, meetings and workshops are completed, the City Manager brings a resolution to the following City Council meeting recommending that the budget be adopted.

We hope you'll find the graphs inside this issue to be interesting and informative, and we invite you to participate in this year's process. For more information, or for dates and locations of the public hearings, please call Administrative Services Director, Tracy Robinson at 299-3227 or check the City's website (www.ci.lafayette.ca.us).



SOURCES

Fiscal Year
2000 – 2001

\$23.2M

For every \$100 spent in Lafayette, \$1 comes back to the City as Sales Tax revenue



Only \$7 of every \$100 paid in Property Taxes is retained by the City



Each year, property owners pay \$20.50 for every \$100,000 in assessed value to pay off the 1995 Road and Drain Bond



AT&T Cable pays the City about \$25 per year per subscriber for the right to offer cable services



The Lafayette Park Hotel generates close to \$500,000 for the City each year



Parking meters, fines and lockboxes produce \$200,000 in revenue annually

General Fund Revenues

Though Contra Costa residents pay 8.25% in sales tax when they make retail purchases, the City receives just 1% of the sales taxes paid. Other jurisdictions, primarily the State of California, receive the rest.

The City receives 7% of the property taxes you pay. In addition, every time a property is transferred, the City receives \$1.10 per \$1,000 of the assessed value of the property.

The City receives a portion of the motor vehicle registration fees paid by car owners who live in the city. The amount is 1.5% of the value of the car based on an 11-year depreciation schedule.

AT&T Cable, PG&E and Waste Management pay franchise fees for the right to offer services in the City. Hotels pay 8% in Transient Occupancy Taxes. Investments, Fees and Vehicle Code Fines make up the rest of the City's general revenue.

Sales Tax
\$2.2 million

Property Tax
\$1.9 million

Motor Vehicle Tax
\$1.1 million

Other General Revenue
\$1.9 million

Capital Improvement Revenues

Most of the funds for Capital Improvements come from various government agencies and from state and federal grants. These funds have "strings" attached and must be spent on particular projects aimed at accomplishing specific goals, such as traffic congestion relief, pavement management or parkland improvement. The City aggressively monitors legislation to ensure that Lafayette gets its "fair share" of this money. Money for Capital Improvements also comes from special assessments that must be used specifically for such things as downtown street lighting maintenance and landscaping.

The City receives approximately \$19 per year per resident in gas taxes. Measure C funds come from a .25% sales tax increase approved by voters in 1988 to fund transportation improvements in the County.

Bond proceeds come from bonds issued by the City, most notably the \$6 million Road and Drain Bond passed by voters in 1995. That Bond is being paid off by property owners with an annual tax of \$20.50 per \$100,000 in assessed value.

Roads, Drains and Parks Improvement Funds
\$4.9 million

Gas Tax/Meas. C
\$781,000

Bond Proceeds
\$2.9 million

Other Funds and Revenues

Money to run the Lamorinda School Bus program comes from Measure C, parent contributions and grants from agencies like the Air Quality Management District and the Department of Education.

Enterprise funds are those programs that are self-sufficient, such as Recreation programs and Parking Enforcement.

Redevelopment funds are rebated by the County to the City based on increases in property values calculated against a "base year".

The remainder of the City's funds come from balances "left over" from prior year revenue surpluses. In addition, the city maintains a reserve equivalent to 33% of General Fund Expenditures to cover unanticipated costs that might arise in the event of an emergency, such as a natural disaster.

Other – \$293,000

School Bus
\$1.6 million

Enterprise Funds
\$1.0 million

Redevelopment
\$743,000

Emergency Reserves & Fund Balances
\$3.9 million

\$23.2M

Fiscal Year
2000 - 2001

USES

Police \$2.2 million
Public Works Planning & Engineering \$2.0 million
Administration, Council & Commissions \$2.4 million

General Fund Expenses

Unlike many cities, Lafayette does not directly employ police officers. Rather, we contract for police services from Contra Costa County. Lafayette has a police chief, 1 sergeant, 9 patrol officers, 1 youth officer, 1 investigator, 1 cop on a bike, 1 traffic enforcement officer and 4 part-time parking enforcement officers.

Public Works is responsible for maintaining roads, parks, sidewalks, medians and traffic signals. Planning ensures that development projects comply with land use polices and are consistent with the community's character. Engineering designs and implements major infrastructure projects (see Capital Improvements below).

Expenses for Administration, Council and Commissions include training, rent, utilities, office supplies, postage, attorney services, and computer equipment. Administrative costs comprise about 10% of the City's total budget.

Police expenses are roughly equivalent to the City's Sales Tax revenue



Streetlights & signals cost \$6,000 per month to operate



The city has just 36 permanent employees and competitively contracts for most services



The City will repave over 1.4 million square feet of Lafayette streets in 2001



The School Bus Program eliminates over 173,000 vehicle trips per year



Parking fines go into a special fund earmarked to add additional offstreet parking in the downtown

Roads, Drains and Parks Capital Improvements \$12.5 million
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Capital Improvements

Capital improvement projects scheduled for 2001 include:

- Community Park ballfield and picnic area improvements
- Leigh Creekside picnic area, trail and fence
- Completion of the Mt. Diablo / Downtown Plaza project
- Acalanes Road, Pleasant Hill Road, Happy Valley Road, Mt. View Drive, Brook Street and First Street improvements.

In addition, \$1.7 million will be spent on the Pavement Management Program which repaves, patches, seals and repairs city streets according to an ongoing maintenance schedule. The program is designed to keep Lafayette streets at a specific level of functionality and to ultimately reduce repair expenses in the future.



Other Expenses

The Lamorinda School Bus Program operates 23 buses, 17 of which run on compressed natural gas. These buses serve 1,850 riders in 12 K-8 schools in Lafayette, Moraga and Orinda.

The Recreation Department offers approximately 75 classes and programs in which about 15,000 people participate each year.

Other expenses include debt service for bond repayments and money spent on redevelopment projects such as site surveys for the new Library.

School Bus \$1.7 million
Enterprise Funds \$1.0 million
Other \$1.4 million

GENERAL PLAN & HILLSIDE HEARINGS

Let Your Voice Be Heard

The Lafayette General Plan is the City's "constitution", the document that describes Lafayette's long-term vision for itself and establishes goals and policies for achieving that vision. All land use regulations emanate from the General Plan. Chapters include Land Use, Housing, Circulation, Open Space and Conservation, Parks and Trails and Recreation, Safety, Noise, and Growth Management. California State law requires each city to have and implement a General Plan, and Lafayette first adopted its present General Plan in 1973. It has been amended over time to reflect changes in state law and local goals and objectives.

During the last several years, the all-volunteer General Plan Advisory Committee prepared the City's first comprehensive rewrite of the Lafayette General Plan, a draft of which was approved by the Planning Commission last fall. An Environmental Impact Report (EIR) describing the impacts of the new Plan has recently been completed and serves as a companion document to the Plan. Both documents will be reviewed by the City Council at upcoming meetings, and community input is both invited and appreciated. The documents are available for public review at the City Offices, 3675 Mt. Diablo Blvd., Suite 210, and at the library. You may review the documents at these locations, borrow a copy from the City, or EIRs can be purchased for \$35 each.

General Plan Meetings

The Planning Commission is scheduled to hold hearings on the Environmental Impact Report on February 1 and February 15, 2001 in the Manzanita Room of the Lafayette Community Center (500 St. Mary's Rd.) at 7:30 p.m. All concerned individuals are welcome to attend the hearing and comment on the Environmental Impact Report. At the conclusion of the hearing, the Planning Commission will make a recommendation to the City Council regarding the proposed General Plan and EIR.

The Lafayette City Council will review the General Plan and EIR at three successive meetings, on March 12, March 26, and April 9. The meetings will be held in the Manzanita Room of the Lafayette Community Center (500 St. Mary's Road) and will begin at 7:30 p.m. All are invited to attend and participate or you may e-mail comments to Associate Planner Greg Wolff at gwolff@lovelafayette.org.

Hillside Ordinance

On a related issue, the City is also conducting separate hearings on a new zoning ordinance that will further control development on City ridges and hillsides in an effort to assure that Lafayette's visual beauty will be maintained in the future. Final Planning Commission hearings are expected to occur in January, and City Council hearings will begin shortly thereafter.

If you would like more information on the proposed Hillside Ordinance, the General Plan or the General Plan EIR, please call Associate Planner Greg Wolff at 284-1976. You may e-mail him at gwolff@lovelafayette.org.

TIME FOR CREEK & DITCH MAINTENANCE

Time to get ready for our rainy season. Key things to watch for are fallen leaves & vegetation in or near streams, drains and ditches, including tree limbs or other materials that might obstruct water flow. Remember, streams & ditches running by and on private property are the responsibility of individual property owners. It takes all of us working together to eliminate potential flooding hazards. If you have questions about winterizing your creek, call the City's Engineering Services Secretary, Erika Liskamm, at 284-1951. To become more involved with the Friends of Lafayette's Creeks advocacy and volunteer group, please call Carl Piercy at 284-4251.



City of Lafayette
P.O. Box 1968
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Council Members message: 284-1968

Council Members		EXT.
Ivor Samson	Mayor	270
Don Tatzin	Vice Mayor	272
Carol Federighi	Council Member	273
Erling Horn	Council Member	271
Jay Strauss	Council Member	274

New City Council seated 11/27/00

For messages to all Council Members: 907

Administration

General Reception and	284-1968
Steven Falk, City Manager	Fax: 284-3169
Tracy Robinson, Admin. Srv. Dir.	299-3227
Gonzalo Silva, Financial Srv. Mgr.	299-3213
Joanne Robbins, City Clerk	299-3210

Community Development

- Director, Vacant 284-1968
- Engineering Services 284-1951
Tony Coe, Manager 299-3203
- Planning Services 284-1976
Mike Henn, Manager

Public Works Services

Ron Lefler, Manager	299-3214
P.W. Hotline (to report problems)	299-3259

If you observe illegal dumping in creeks & storm drains or accidental spills on roads, call Contra Costa Hazardous Materials Division 646-2286.

Lamorinda School Bus Program

Juliet Shanks, Analyst	299-3216
	Or 299-3215

Parks and Recreation

Jennifer Russell, Director	284-2232
Yvonne Ozorio, Senior Services	284-5050
Teen Programs	284-5815

Police Services

Emergency: 24 Hours	911
Police Dispatch: 24 Hours	284-5010
Police Business Office:	283-3680

Anonymous Tipline, Traffic Enforcement, Suggestions & LEARN (Laf. Emergency Action Response Network), 299-3232 X 2205

Addresses

Street Address:	3675 Mt. Diablo Blvd. #210	Fax: 284-3169
Mailing Address:	P.O. Box 1968	
	Lafayette, CA 94549-1968	

Website: www.ci.lafayette.ca.us

E-MAIL: Council/staff members can be reached via e-mail using the following address format:

First Initial + Last Name @lovelafayette.org

Example: SFalk@lovelafayette.org

Bulk Rate
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