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City of
Santa Clarita

May 28, 1991

Honorable Mayor and Members of the City Council:

It is my pleasure to submit the budget of the City of Santa Clarita for fiscal year 1991-92. This budget marks the continuing evolution of our City. In prior years, we have presented the City Council with a document which formed a foundation for the high quality programs and services now provided. In 1991-92, we are now ready to capitalize on the equipment, programs, and personnel added in prior years. Implementation of this budget will further demonstrate the overwhelming benefits of incorporation and the impact of local control over the expenditure of funds.

The 1991-92 budget is balanced. Every effort has been made to ensure that ongoing revenues provide for ongoing programs and personnel. In addition, fund balances have been accessed and budgeted to provide for one-time purchases of major equipment and capital projects.

The preparation of the 1991-92 budget has provided the opportunity to reassess our present organizational structure and make changes in order to provide quality service to both the citizens and the employees of the City of Santa Clarita. For the 1991-92 fiscal year, adjustments have been made to the overall structure in order to provide for the effective use of our varied resources. Many of the changes reflected in the budget focus on the need to consolidate like functions to provide the utmost quality and efficiency and to address the growing community desire for social services.

OPERATING BUDGET

City-wide, the 1991-92 operating budget reflects a \$2,499,252, or 7.21%, increase over the 1990-91 budget.

The 1991-92 operating budget is comprised of the following categories:

Administrative Services	\$2,884,070
Finance	938,729
Community Development	5,898,345
Public Works	9,252,330
Public Safety	8,531,034
Parks and Recreation	5,352,880
Non-Departmental Reserve	4,188,024
TOTAL OPERATING BUDGET	<u>\$37,045,502</u>

Also included is the third year of projects in the City's Capital Improvement Program. The breakdown of departmental capital projects is as follows:

Community Development	\$21,980,190
Administrative Services	6,500,000
Parks and Recreation	1,880,684
TOTAL CAPITAL BUDGET	<u>\$30,360,874</u>

TOTAL FY 1991-92 PROPOSED BUDGET **\$67,406,376**

REVENUE OVERVIEW

The General Fund revenues for the upcoming fiscal year are expected to show healthy but not substantial growth. It is anticipated that they will increase by 2.15% from an estimated year end of \$28,417,680 to an estimated budgeted \$29,598,440.

The General Fund is composed of a variety of specific revenue accounts. These are, however, overshadowed by the three primary sources of General Fund revenues. Sales tax, property tax and State Motor Vehicle in Lieu comprise over 73.1% of the General Fund operating budget.

The sales tax estimate for 1991-92 is approximately \$12,204,000, which is an increase of 7% over our 1990-91 estimate. As reported to the City Council in our six month financial overview, Santa Clarita has continued to remain strong in sales tax despite the recession. This is attributed to the diversity of our local economy and to the City's rigorous collection efforts.

The second largest source of General Fund revenue is State Motor Vehicle in Lieu. This funding is distributed to cities on a per capita basis. Santa Clarita has received a tentative allocation of \$5,561,908 for 1991-92. While it was feared that this funding was in jeopardy due to SB 2557, there is still no word as to the governor's position on again earmarking this or other revenue sources to address the State revenue shortfall.

The third largest source of revenue is property tax. Property tax is estimated at \$3,801,435 for 1991-92, which represents an 18.5% increase over the prior fiscal year. A portion of this increase is attributed to Los Angeles County's beginning to bill on previously unassessed parcels.

By far the most significant source of non-General Fund revenue is Gas Tax. As a restricted revenue, this may only be used for the maintenance of roads and improvements, as well as personnel and operations and equipment associated with this activity. In 1991-92, the State Controller's office has confirmed an allocation of \$2,498,270.

OPERATING BUDGET

CITY MANAGER

The City Manager's office budget does not have major increases for the 1991-92 fiscal year. There has, however, been the addition of a part-time intern to assist the Public Information Officer with a variety of the programs in progress. In addition, in order to handle the increased clerical needs of the department, a full-time clerk typist has been added.

MANAGEMENT SERVICES

The Management Services Division, created for fiscal year 1991-92, reflects the changing needs of the City to consolidate many of the internal services provided into a cohesive unit. The Personnel, Budget, Computer Services, Graphics, Risk Management, and City Clerk functions have been placed in this division.

Included in the Personnel Budget is the addition of a Personnel Technician/Wellness Coordinator. This position has been added to ensure that the work environment created for our employees is healthy and productive. Today, both public and private entities are turning to wellness

programs to ensure that, in the face of rising health care costs, there is some mechanism to stabilize costs directly incurred. This position will devote 50% to the wellness program and 50% to recruitment and training.

Also included in the Personnel budget is \$5,000 to establish an employee recognition program for outstanding levels of service.

The Computer Services Division, formerly within Finance and General Services, is again oriented toward providing the necessary tools and training to effectively service both the employees and the citizens of the City. Included within Computer Services for 1991-92 is the addition of a Computer Programmer II position. This position will be primarily responsible for ensuring that many of the software programs required by the various departments to operate efficiently. In addition to this position, approximately \$160,000 has been allocated for the purchase of additional hardware and software, required to protect our investment in this system, as well as provide the various departments the best tools available to service the City. In order to coordinate similar functions, the graphics division is now found within the Computer Services area. In order to enhance the graphics program for 1991-92, the position of graphics technician has been added.

The City Clerk's budget does not reflect major increases over the past fiscal year. The responsibilities of this division have, however, continued to grow by providing records management for the entire City. In order to ensure a sound foundation for this program, the 1991-92 budget does contain \$20,000 for a records management consultant to assist the City in the development of this program.

FINANCE

With the 1991-92 fiscal year budget, the Finance Department of the City of Santa Clarita is now given the opportunity to fully concentrate on the critical functions of financial analysis, accounting, investments and oversight of the various funds within the City. In order to address the growing level of complexity associated with the addition of a full transit system, increased grants and franchises, the position of a Special Projects Accountant has been added. In addition, an Account Clerk has been added to assist in processing the over 800 warrants per month presently handled by the City.

COMMUNITY DEVELOPMENT

The Community Development Department now contains the functions of Community Development Administration, Advance Planning, Development Services, Code Enforcement, and Economic Development, as well as the addition of Engineering and Building and Safety. It is anticipated that, as a result of adding these functions to this department, we are allowing for complete coordination, review and oversight of projects submitted to the City.

The divisions of Building and Safety and Engineering are still emerging within our organization. Presently, the firm of Willdan and Associates processes over 30% of all Engineering and Building and Safety activities. In order to reduce the level of activity directed to Willdan and thus decrease the funding designated for their contract, various engineering positions have been added for 1991-92. These positions include: Assistant City Engineer, Civil Engineer, Associate Engineer (Subdivisions), Assistant Engineer (Subdivisions), Associate Engineer (Special Projects). The addition of these positions will result in an estimated savings of \$252,300 in contractual engineering services. A clerk typist has also been added for clerical support.

In 1991-92, the City anticipates the need for mobile communication capabilities. This will assist the City in communicating with its field personnel on a day-to-day basis and aid communications in the event of emergency. In order to implement this system, \$200,000 has been allocated for the purchase of radios.

A final addition to the Engineering program for 1991-92 is the "Safe Route to School Study." In concert with the local school districts, this study will map out all streets, school locations and routes to be used by students to and from school.

Included in the Building and Safety budget is the proposed reclassification of the Building Inspector to Senior Building Inspector, as well as the addition of a Civil Engineer and a Receptionist. The positions, as well as the reclassification, have been proposed in order to address the growing level of complexity now occurring in many of the plan check and building inspection activities. Finally, due to the amount of mileage being placed on personal vehicles, four pick-up trucks have been added for the building inspectors.

Also within the Community Development Department budget is the upgrade of two Administrative Clerk positions to Secretary. This has been done to accurately reflect the duties of the clerical staff within this department.

Of primary focus in the Community Development Department is the increased annexation activity and implementation of the General Plan. In order to allow for increased filings required by LAFCO, and preparation of our Sphere of Influence, \$35,000 has been budgeted within Advance Planning. Secondly, in order to fully implement the various components of the General Plan, \$50,000 has been allocated for technical assistance relating to the Air Quality Element, Design Review Studies and Community Studies.

Finally, in order to enhance our Economic Development program, \$70,000 has been added for the small business program, and \$5,000 has been included to continue the "shop local" campaign. In an effort to continue our progress on establishing a redevelopment agency, \$100,000 has been included for consultant services.

PARKS AND RECREATION

The Parks and Recreation Department is continuing to strive for excellence in programs and services provided to the community. In order to continue to enhance the recreation and leisure activities presently provided, after school recreation, as well as noon time concerts in the parks, have been added. Parks and Recreation has also assumed responsibility of the Community Development Block Grant program for 1991-92. A CDBG Analyst has been added to assist with this program.

In the upcoming fiscal year, there will also be an emphasis on the enhancement of our parks and trails systems. To address this, a development coordinator, as well as a trails coordinator, have been added to the Parks Maintenance budget. Further additions to the Parks and Recreation budget include the addition of a Building Maintenance Worker I to assist in the upkeep of the various parks facilities, a part-time clerical position to provide clerical support to the new Parks Maintenance positions, and a marketing intern to promote many of the activities throughout the Parks and Recreation Department. Finally, \$200,000 has been allotted for rehabilitation of various parks.

PUBLIC WORKS

With the reorganization of the various City functions, our Public Works Department is taking on a maintenance and service orientation. Now housed within this department are the functions of Public Works Administration, Street and Sewer Maintenance, Transit, Solid Waste, Fleet, Purchasing and Central Stores. The Public Works Department as a whole will be relocated to the corporation yard in order to provide oversight of each of these inter-related activities.

There have been a variety of additions to this department for the 1991-92 fiscal year. In the area of Street Maintenance and street repair, sign-making and sidewalk and gutter repair programs have been added. Each of these programs reduces contract costs with Los Angeles County. It should, however, be noted that, in the first year of operation, it is necessary to acquire the specialized equipment and personnel to provide for such programs.

Also added are the positions necessary for the City to ensure compliance with Assembly Bill 939. The two positions of Public Outreach Coordinator and Operations Coordinator have been added. These positions will provide demonstration programs to heighten public awareness, training programs, and workshops on source reduction and recycling, among many other functions. In order to continue the City's opposition to the proposed Elsmere Canyon landfill, \$250,000 has been allocated for legal fees, studies, public information programs and an assortment of other activities.

In the area of transit, a Transit Analyst has been added to oversee the auditing and reporting functions associated with the transit program.

The General Services division of Public Works is now taking on additional personnel and equipment needed to provide for fleet maintenance services, thus reducing our present service contracts on the vehicles. In order to provide the foundation for this program, the General Services Manager position has been upgraded.

In addition, a Vehicle Maintenance Worker, as well as a Vehicle Maintenance Technician, have been added for minor repair and servicing of the vehicles and specific equipment. A Materials Clerk has also been added to assist in the shipping and receiving functions now underway.

PUBLIC SAFETY

The Public Safety Department, which contains Police Services, Fire Protection, District Attorney Fees, Animal Control and Crossing Guards, has increased by 1.8% over the 1990-91 budget. Overall, police services specifically have increased by 4.2%. This is primarily due to the addition of a 56-hour traffic car, a 56-hour general law car, and the conversion of a one-person, 56-hour general law car to a one-person general law car. Funds have also been allocated for potential salary increases. By converting the two-person to a one-person car, there was a cost savings which was then used to fund the two additional cars. The addition of cars is required to provide law enforcement activities in the recently annexed areas.

CAPITAL PROJECTS

Fiscal Year 1991-92 is the third of the City of Santa Clarita's first five-year Capital Improvements Program. The City of Santa Clarita finances Capital Improvements through a variety of general fund revenues, specific revenues and other sources. Outlined within the Capital Improvements section of the budget are the actual projects, as well as the potential funding sources.

Administrative Services

The administrative services section of the Capital Improvements budget includes a total of \$26 million for architectural services for the City Hall project. The contract for architectural services will be awarded on the basis of the outcome of the City Center Design Competition, scheduled for the second week of June. As previously discussed with the City Council, \$3.9 million has been allocated for the purchase of facilities for municipal uses.

Parks and Recreation

A variety of Parks and Recreation capital improvements projects have been designated for the upcoming fiscal year. These include the South Fork multi-use trail, the Bouquet bicycle trail, athletic field lighting and the construction of Oak Springs Park. Community Development Block Grant Administration is also within Parks and Recreation. Programs to be funded with CDBG monies include: residential rehabilitation loans, handyworker program, East Newhall drainage improvements, and portable child care facilities. Each of the projects suggested must be presented at a public hearing for further review and discussion.

Public Works

Public Works projects should for 1991-92 include the Corporation Yard improvements, San Fernando Road widening, San Fernando Road undergrounding district, Soledad and Santa Clarita Bridge widening, Soledad widening, and an assortment of overlays and signal modifications.

High Priority Unfunded Needs

Each year a number of requests are submitted to the City Manager's office for review and possible presentation in the budget document. This year requests were submitted for over \$4 million of personnel projects and programs and \$12 million in capital projects. The following is a list of those items which did not receive funding within the proposed 1991-92 budget, but would have if the City had sufficient funds.

Capital Projects

Athletic Field Lighting	\$ 65,000	General Fund
Athletic Field Renovation	20,000	General Fund
Landscape Shadow Pines	10,000	General Fund
Pamplico Park Design	50,000	General Fund
Santa Clarita Pool Renovation	286,000	General Fund
Portable Newhall Child Care	100,000	General Fund
Portable Senior Facility	100,000	General Fund
Olympic Pool	100,000	General Fund
Bouquet Median Modifications	200,000	TDA
Soledad Overlay	300,000	TDA
Canyon Country Sidewalk-Soledad	125,000	General Fund
Shadow Pines Slurry	125,000	General Fund
Soledad and Ann Freda Signal	125,000	General Fund
Composting Facility	50,000	General Fund
McBean Creekside Signal	125,000	General Fund
Delight Sidewalk Repair	180,000	General Fund
Unfunded Requested Capital	<u>\$1,961,000</u>	

Operating Budget

(All items listed are from General Fund.)

Professional Services for Development Ordinance	\$ 80,000
Master Plan of Core City	75,000
Economic Development Research	153,000
Economic Development Advertising Program	194,000
Redevelopment Program Development	100,000
Infrastructure Mitigation Monitoring	180,000
Warehouse Supervisor	60,459
Senior Accountant	40,000
Additional Paseo Patrol	97,550
Community Relations Liaison	35,000
Administrative Assistant (Parks and Recreation)	59,509
Part-time Gardeners	25,660
Expanded Summer Swim Program	47,228
Open Space Study	50,000
Pool Technician	53,055
Friday Night Live	21,540
Engineers Report	25,000
Recreation Coordinator	19,238
Grounds Keeper II	52,535
Parkway Beautification	34,185
Department Composting Program	37,366
Rose Parade Float	150,000
Film Liaison Committee	30,000
Administrative Coordinator	34,790
Assistant Engineer Special Projects	50,579
Assistant Engineer Project Development	50,579
4-Wheel Drive, Pick-Up (2)	44,000
Graffiti Removal Program	133,000
Engineering Technician	34,714

Total Unfunded Operating \$ 1,967,987

Total High Priority Unfunded \$ 3,928,987

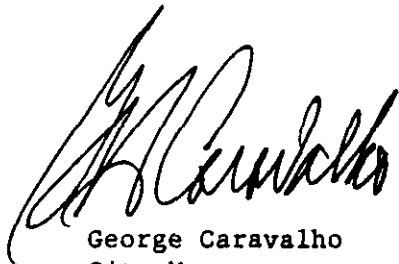
Summary

The preparation of the budget document is a City-wide effort that requires the time, hard work and cooperation of each of the divisions of the various City departments. All those who participated in the process are appreciated and commended for their efforts. Special thanks go to Terri Maus and Ken Pulskamp, who labored arduously with this most important document.

Throughout the budget process, the utmost consideration was given to the long term financial stability of the City, as well as our promise to continue to provide the highest quality service, programs and facilities envisioned at incorporation. The 1991-92 budget brings the City of Santa Clarita a step closer to realizing the many goals and wishes expressed during incorporation. As evidenced in the high priority funding list, there are always more programs and projects than there are funds to pay for them. However, your City staff is committed to continue to search for innovative means of financing and providing these programs. With a City Council and staff that readily accept this challenge, I am confident that we can continue to shape what is destined to be the Premier City of the 21st Century.

I recommend the adoption of the 1991-92 Fiscal Year Proposed Budget and look forward to discussing this with you throughout the budget hearing process.

Respectfully submitted,



George Caravalho
City Manager