

How to Use the Budget Document

The East Palo Alto Budget Document is a spending plan for the financial and human resources available to the City. Through these resources, services are provided to meet the needs of the East Palo Alto residents. The City Council and City Staff respond to the community’s needs in part, through the budget. It balances not only revenues and costs, but also community priorities and interests. The Budget Document is divided into nine major sections:

- City Manager’s Message
- The East Palo Alto Budget Process
- How to Use the Budget Document
- City Council Focus Areas
- Financial Plan and Policies
- Summary Information
- Departmental Budget
- Capital Improvement Plan*
- Miscellaneous

*A separate document will be presented to City Council reflecting the five-year Capital Improvement Plan.

The City Manager’s Message

The City Manager’s Message provides a summary of the past fiscal year and a big picture summary for the upcoming fiscal year. It sets the context for budget decisions by describing community and economic conditions affecting the budget. It outlines major initiatives underway and challenges facing the City.

The East Palo Alto Budget Process

The annual budget process follows a model that is threefold: Assess Conditions, Develop Policies, and Implement Programs. It includes long-range and short-range planning processes.

How to Use the Budget Document

A brief summary of the nine sections within the document and how they may be used effectively to understand the make-up of the document.

The City Council’s Focus Areas

The City Council’s Focus Areas sets the priorities for the organization. It allows the City Manager to develop the list of Key Issues that will set the organizational work plan for the upcoming year.

Financial Plan

The Financial Plan section summarizes the overall financial condition of the City’s General Fund. The following information is included in the Financial Plan:

- Historical trends and projections for the major revenue and expenditure categories
- Assumptions used to develop the financial plans

- A list of the policies used to manage the City's finances.

In addition, this section contains current policies adopted by City Council which establishes the foundation and budget principles.

Summary Information

This section of the document contains useful, quick reference information about the City and the organization, including an organizational chart, "East Palo Alto at a Glance": statistics, a regional area map, a map of the redevelopment areas, a land use policy map; a summary and financial tables; a six-year summary of the City's authorized strength, and documentation of the City's compliance with State statutes and City Ordinances/Resolutions.

Departmental Budgets

This section depicts the operating budget for all departments and divisions. Each department is under one of the eight (8) major categories: Policy & Executive, Administrative Support Services, Community Development Services, Community Services, Housing Services, Public Safety, Public Works, and Non-Departmental. The Departmental Budget section presents financial figures by major revenue and expenditures categories. Local government budgets are organized by funds in order to segregate and account for restricted resources. Each fund is a separate accounting entity. The General Fund provides the majority of resources for most of the services that cities typically offer, including public safety, maintenance, and general government functions required to support direct services to the community. This section also places the budget in context with the five-year financial forecast and provides a two-year historical review of General Fund sources and uses. This section also includes prior-year departmental accomplishments and the projected year objectives. Finally, this section includes the historical, current and projected staffing by each department/division.

Capital Improvement Plan

This section provides the City's five-year Capital Improvement Plan (CIP), which is to be updated annually. The CIP is necessary to methodically repair, replace and/or construct in an effort to maintain the City's infrastructure and facilities. The annual CIP follows a separate process from the operating budget, but once adopted, it will be included in the Annual Budget Document.

Miscellaneous

This section reflects the recorded actions of City Council with regards to changes from the proposed budget to the adopted budget. It also contains the adopted budget resolutions, for both the General Fund and the Redevelopment Agency Fund, as well as the Debt Schedule(s) and the Glossary.