



CITY OF LA PALMA

NEWS RELEASE

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For Immediate Release
March 8, 2013

La Palma City Council Holds Budget Work Session

LA PALMA, Calif. – The public is welcomed to a La Palma City Council work session Monday evening on plans for next year’s City budget. The meeting will be held at 7 p.m. in the City Council Chambers of City Hall at 7822 Walker Street in La Palma.

Budget meetings are being held earlier than normal in the wake of a significant sales tax revenue loss from BP/ARCO’s move of their sales operations out of La Palma. As noted by City Manager Ellen Volmert, “the City cannot continue to provide current services, the way they are provided, with current revenue. While significant action has already been taken by the City Council and City staff, more is needed for La Palma to have a sustainable financial future.”

Over \$400,000 in expenditure reductions were needed to balance the current fiscal year budget where the loss of sales tax has already been felt. The City Council also helped to close the gap by authorizing a mid-year increase to the utility users’ tax, from 4% to 5%, the voter approved maximum. The revised general fund budget for the current year is \$9.393 million, with about half of that budget going to the La Palma Police Department. In looking forward to Monday’s meeting, Finance Director Michael Solorza stated, “We are working towards a long term balance for the organization where on-going expenses and revenues match up. We need to hear from the community so that La Palma makes the right choices for our future.”

The City Council has already established a 2013 goal for a balanced budget which includes reducing personnel costs and general fund expenditures, reviewing the current fund reserves policy, developing a plan to deal with unfunded liabilities and finalizing City fees in addition to the Staff plan for balancing next year’s budget being presented at the March 11th meeting.

This work will result in a proposed budget to be presented to the City Council on May 7, 2013. Adoption of a balanced budget is required by State law prior to July 1, 2013. Agenda materials for the March 11th meeting, as well as the current fiscal year budget, are available on-line at the City’s website at www.cityoflapalma.org. Questions can be addressed to Finance Director Michael Solorza at Michaels@cityoflapalma.org or at 714 690-3323.

About the City of La Palma

Ranked by Money Magazine in both 2007 and 2011 as one of America's Best Places to Live, the City of La Palma is a 1.9 square mile general law city in northwest Orange County, consisting of 15,568 residents and 482 commercial and industrial businesses. The City was incorporated in 1955 under the name of Dairyland and has 61 full-time and 35 part-time employees.

Contact Information

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