



# CITY OF LA PALMA NEWSRELEASE

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For Immediate Release  
June 30, 2009

## **La Palma Adopts FY2009-10 Budget; Continues Lowered Utility Tax**

La Palma, Calif. – On June 16, 2009, the La Palma City Council adopted a fully balanced \$24.0 million budget for the 2009-10 Fiscal Year while reducing the local Utility Users Tax (UUT) by 1% and declaring a Permit Fee Holiday. Mayor Mark Waldman said, “While the State, County, and many cities are struggling to balance their budgets, our prudent fiscal management has actually enabled us to enhance services and reduce fees.”

The City of La Palma receives its revenues from a variety of funding sources, with property taxes, sales taxes, and the UUT accounting for 74% of General Fund operating revenues. Due to the continuing economic downturn, revenues this year are expected to decrease by 2% and expenditures are budgeted to increase by 3.6%. Nevertheless, the adopted General Fund budget includes a significant contribution to reserves. City Manager Dominic Lazzaretto said, “At this point, we don’t know what the State will do to try to balance its budget, so it’s important that we have reserves available to respond to any additional cuts they might make.”

Some noteworthy expenditures included in the Fiscal Year 2009-10 budget, include:

- \$924,400 for arterial street rehabilitation projects
- \$868,500 for the current year’s residential pavement management program
- \$576,000 for various water, sewer, and storm drain system improvements
- \$200,000 for painting arterial blockwalls citywide
- \$200,000 for new street signs citywide

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Additionally, the City Council voted to continue the 1% reduction in the City's UUT for Fiscal Year 2009-10, setting the rate at 4%. This is the third time in the past five years that the City Council has voted to lower the UUT from its standard rate of 5%. The UUT is assessed on all electrical, natural gas, and telephone bills within the City and was ratified by La Palma residents in 2002. The UUT Ordinance gives the City Council the authority to reduce the rate by up to 1% when sufficient funds are available.

The La Palma City Council has also authorized a Permit Fee Holiday Program to encourage improvements to single family residential properties throughout the City. Starting July 1, all City charged permit fees for building, planning, and related public works permits will be waived for home remodels, additions, or improvements. Fees charged by other agencies and collected by the City on their behalf are not eligible under the program.

***About the City of La Palma***

The City of La Palma is a 1.9 square mile general law city in northwest Orange County, consisting of 16,081 residents and 482 commercial and industrial businesses. The City was incorporated in 1955 under the name of Dairyland and has 65 full-time and 53 part-time employees.

***Contact Information***

Laurie Murray  
City Clerk  
City of La Palma  
7822 Walker Street  
La Palma, CA 90623  
Tel: (714) 690-3338  
Fax: (714) 523-2141  
Email: [lauriem@cityoflapalma.org](mailto:lauriem@cityoflapalma.org)