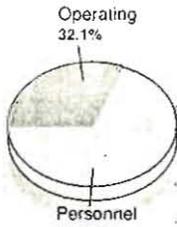


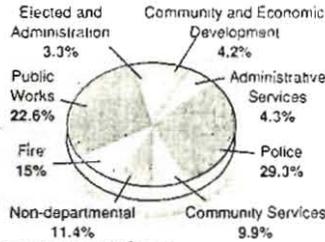
Proposed spending plan

The charts show the estimated revenues and expenditures for the proposed 1989-90 budget. The City Council had its first look at the plan Monday.

General fund budget expenditure by category



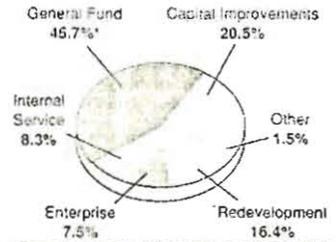
General fund budget by department \$86.2 million



General fund revenue by category \$86.2 million



Recommended budget, all funds \$188.6 million



Source: City of Huntington Beach proposed 1989-90 Budget

*Figures are rounded off and add up to 99.9 percent.
Steve Cowden/The Register

Huntington unlikely to increase services

By Ann Pepper

The Register
B.C. Register 5-25-89

HUNTINGTON BEACH — Slow economic growth and the up-front costs of downtown redevelopment are likely to hold municipal services at current levels as the city is forced to tighten its financial belt for the 1989-90 budget year.

Monday night, the City Council got its first look at next year's \$188.6 million spending plan, including an \$86.2 million general fund — up \$7 million over the current budget. The general fund outlines how the city will spend its

money not already earmarked for specific uses. It allows funds to everything from City Administrator Paul Cook's staff to the Police and Fire departments.

"Sales-tax revenues fell about \$1 million short of what we had projected for 1988-89," said Assistant City Administrator Bob Franz, who oversees the city budget. "Car sales along Beach Boulevard's auto row and retail sales citywide were relatively flat compared to last year, and sales-tax revenues went up only \$50,000 overall."

Along with the \$1.2 million the city will spend to build a downtown

parking garage and the new salary and benefits raises for city employees, the lower-than-expected revenues mean no increase in city services for next year, Franz said.

"But our feeling is (that) we are already providing a very good level of service to the city," Franz said. "That will continue. Residents will not notice any cutback in service, but they also will not see any increase."

What the public will see this year is activity aimed at fattening the municipal purse in the future. Besides construction of the parking garage, the downtown will jump

with new building, including the Hilton Hotel at the Waterfront on Pacific Coast Highway, Town Square residences off Orange Avenue, the entertainment complex at the corner of the highway and Main Street, rehabilitation projects on Main, and the widening of Pacific Coast Highway.

Meanwhile, one new city employee will be hired through the general fund: a computer operator for the Police Department's new dispatch system. This is in contrast to the 28 new workers added in 1988-89, Franz said.

Please see BUDGET, 6



BUDGET: Huntington's aim is to fatten purse

FROM 1

About \$150,000 in funds will open a city visitors and convention bureau, however.

"We feel the time is now to begin making the new downtown attractive to business," Franz said. "While we may not see any revenues from the bureau, the garage or other downtown redevelopment projects for the next couple of years, we think down the line it will have been well worth it."

In the budget, staff recommends saving city revenues by upping the \$5 refuse fee, established in July, to \$7.50. The cost of collecting trash is expected to go up by \$2.98 per

household by 1990, Franz said. The \$2.50 increase means the city would continue to subsidize trash collection by \$800,000 from the general fund annually, he said.

Monday, the council voted to put the refuse-collection increase on its agenda in mid-June.

It also recommends spending \$4.7 million to purchase and remove oil wells and replace them with parking lots along Pacific Coast Highway between Golden West and Sixth streets. The funds

will come from the \$6.2 million the city received in its sale of cable television rights earlier this year.

"The cost of doing this is not going to decrease, and if we don't deal with the parking problem in that area now, it is going to become a crisis," Franz said.

Most of the rest of the \$6.2 million will be used to acquire park land and upgrade the city's own cable TV system, he said.

Public hearings on the proposed budget will be held in June.