



**Minutes
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT**

June 16, 2003

6:00 P.M.

**Town Council Chambers
94 Ashfield Road, Atherton**

Special Meeting

Mayor Janz called the meeting to order at 6:10 p.m.

- 1. PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL**

PRESENT:
Kathy McKeithen
Charles E. Marsala
Alan B. Carlson
William R. Conwell
James R. Janz

City Manager Jim Robinson and City Attorney Marc Hynes were present.

- 3. PUBLIC COMMENTS**

No public comments.

- 4. PUBLIC HEARING - PROPOSED FISCAL YEAR 2003-04 INTEGRATED OPERATING/CAPITAL BUDGET**

ADOPTION OF A RESOLUTION ADOPTING THE FY 2003-04 BUDGET

City Manager Jim Robinson gave a brief introduction of the proposed Fiscal Year 2003-04 Integrated Operating and Capital Budget, noting that amendments may be required in the future as a result of possible funding changes arising from the State budget shortfall. The General Fund Operating Budget expenditures total \$7,832,490, which represents an increase of approximately 4.3% over last year. The City Manager stated that staff had reviewed and made as many reductions as possible to individual departmental operating expenditures.

Finance Director John Johns presented the proposed Fiscal Year 2003-04 Operating and Capital Budget totaling \$12,396,981. Revenues and other financing sources are balanced with expenditures and other financing uses for Fiscal Year 2003-04. The budget document also contains an intermediate range financial plan and capital improvement plan for Fiscal Years 2002 through 2005. Several pages of corrections to the recommended budget were provided at the meeting. According to the Finance Director, the corrections did not represent any substantive changes.

Council Member Carlson stated that on recommendation of the Finance Committee, the proposed budget assumes the maximum parcel tax amount for this third year of the voter approved four-year tax. A resolution to set the parcel tax for Fiscal Year 2003-04 will be before the Council, and a public hearing will be held on the matter, at the July 16th regular meeting.

Discussion centered on ways to reduce the budget including eliminating monies budgeted for contract building inspection/plan checking, traffic studies, and equipment and vehicle purchases. The Finance Director stated that a 15% increase in building permit fees is built into the budget. After the budget is adopted, this item will come back to the Council for approval of the increase. Methods of generating additional revenue, including the licensing of cats and possible increases to the real property transfer tax, were discussed and referred to the City Attorney.

Various alternatives to the proposed tennis court improvements were discussed, as well as other options for replacing police and public works vehicles. Other areas of concern included increased costs for retirement and health insurance premiums, and budgeted amounts for step increases and cost of living adjustments.

Staff was asked to review any public works expenditures that may be related to the Building Permit process, particularly those associated with the Town Arborist. Council Member Marsala noted the need for income and expenditure information associated with Holbrook-Palmer Park. The Town currently recovers approximately two-thirds of the Park's operating expenses through facilities and use fees.

**Mayor Janz called a short break in the meeting at 9:04 p.m.
The Council reconvened at 9:12 p.m. Further discussion was held.**

**Mayor Janz opened the public hearing at 10:00 p.m.
Jerry Carlson spoke from the audience.
Mayor Janz closed the public hearing at 10:10 p.m.**

MOTION – approve adoption of the recommended Fiscal Year 2003-04 Integrated Operating and Capital Budget with the following modifications:

- Reduce the line item for contract employees in the Building Department by \$50,000
- Reduce Public Works Contract Engineering by \$37,000
- Eliminate \$26,000 for the purchase of one Police vehicle
- Eliminate \$55,000 for the purchase of a Public Works dump truck
- Eliminate \$10,000 for Police Department replacement photocopier
- Eliminate \$290,000 for tennis courts improvements pending Council discussion at the regular meeting on June 18, 2003, with the opportunity to restore funds on that line item if the Council deems appropriate
- Adjust Parcel Tax and Measure A amounts on Page 59 (Schedule of Operating Transfers)

Staff to return to Council at the June 18, 2003 regular meeting with a budget resolution reflecting said changes.

M/S Carlson/McKeithen

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

The Council asked that an item be placed on the July agenda for consideration of an increase to building permit fees.

5. ADOPTION OF A RESOLUTION APPROVING THE FISCAL YEAR 2003-04 APPROPRIATIONS LIMIT AND CALCULATIONS

The Council deferred this item to the June 18, 2003 regular City Council meeting.

6. SET DATE AND TIME FOR A PUBLIC HEARING FOR ADOPTION OF A RESOLUTION ESTABLISHING A SPECIAL TAX FOR MUNICIPAL SERVICES FOR FISCAL YEAR 2003-04.

MOTION – to set the regular City Council meeting date of July 16, 2003 for a public hearing for consideration of adoption of a resolution establishing a special tax for municipal services for Fiscal year 2003-04, as required by Ordinance No. 520.

M/S Janz/McKeithen

Ayes: 5 Noes: 0 Absent: 0 Abstain: 0

7. CONSIDERATION OF REQUEST OF CITY/COUNTY ASSOCIATION OF GOVERNMENTS FOR A LISTING OF POSSIBLE PROJECTS FOR PROPOSED CONTINUATION OF THE MEASURE “A” ONE-HALF CENT SALES TAX FOR TRANSPORTATION

The Council deferred this item to the June 18, 2003 regular City Council meeting.

8. ADJOURNMENT

The meeting adjourned at 10:44 p.m.

Respectfully submitted,

Sharon Barker, City Clerk