



Item No. 5 Town of Atherton

FINANCE COMMITTEE STAFF REPORT

TO: FINANCE COMMITTEE

FROM: ROBERT BARRON III, FINANCE DIRECTOR

DATE: MAY 11, 2021

SUBJECT: REPORT ON FY 2021/22 SPECIAL REVENUE, INTERNAL SERVICE FUNDS, AND CAPITAL IMPROVEMENT PROGRAM (CIP)

RECOMMENDATION

Receive, Discuss, and File the report

BACKGROUND

Staff is providing for discussion and receive/ file the FY 2021/22 Special Revenue, Internal Service Funds, and Capital Improvement Program (CIP) that was presented and discussed by City Council. This was also reviewed and discussed by the City Council during the May 5, 2021 study session. Attached is the FY 21/22 Special Revenue, Internal Service Funds and Capital Improvement Fund staff report presented to the Council.

The Town Capital Improvement Fund is a 5-year plan that gets updated every year as priorities, master plan projects, and funding sources are identified. The first year (FY 2021/22) of the CIP is incorporated into the Town's budget.

The City Council will have a final review of the FY 2021/22 General Fund Operations, Special Revenue, CIP & Other Funds budget at its June 2, 2021 study session.

ATTACHMENT

CC May 5, 2021 FY 2021/22 Special Revenue, Internal Service Funds, and Capital Improvement Program (CIP) PowerPoints (2)



**Item No.
Town of Atherton**

CITY COUNCIL STAFF REPORT – STUDY SESSION

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

**FROM: ROBERT BARRON III, FINANCE DIRECTOR
ROBERT OVADIA, DIRECTOR OF PUBLIC WORKS**

DATE: MAY 5, 2021

**SUBJECT: REVIEW OF THE FY 2021/22 SPECIAL REVENUE, INTERNAL SERVICE
FUNDS AND CAPITAL IMPROVEMENT PROGRAM**

RECOMMENDATION

Review, discuss, and provide feedback Special Revenue, Internal Service Funds and Capital Improvement Program (CIP) for FY 2021/22.

BACKGROUND

This is the third item of our Budget Meeting Calendar for the FY 2021/22 Budget – Special Revenue Funds, Internal Service Funds, and the Town’s 5-Year CIP.

The Town maintains a variety of Special Revenue and Internal Service Funds that are “restricted funds” designated for a specific purpose. Special Revenue Funds are used to account for revenues derived from specific sources. Revenues to these funds are usually required by law or administrative regulation to be accounted for in a separate fund. Revenue to Internal Service Funds come from the various departmental operational budgets based on allocated charges to those departments. Special Revenue and Internal Service Funds include the Library Fund, Tennis Fund, COPS Grant fund, Equipment Replacement Fund, Workers’ Compensation Fund, General Liability Fund, and Employee Benefit Fund. The Special Tax (Parcel Tax Fund) is a Special Revenue Fund, as this was a specific funding source for capital projects and police services. This Tax is no longer collected by the Town, but we continue to maintain the Fund, as there are remaining residual funds that are allocated to specific drainage and road infrastructure needs.

The Town’s Capital Improvement Program (CIP) is a five-year program that proposes projects to analyze, repair or improve Town infrastructure, and the funding for those projects. As the Town’s main focus is on the Town Center Project completion, Holbrook Palmer Park Circulation plan, and Neighborhood Traffic Management plan projects, it is anticipated the CIP program will continue to be lean in projects based on current funding and operation needs. Once the Town Center project is completed, the Town will reassess its funding capacity in hopes of addressing its various CIP

Master plans. The CIP program consists of (9) capital improvement fund sources that the Town uses for capital improvement/infrastructure needs and include:

- Atherton General Fund
- Measure M – County Congestion Management Fee on vehicle registration
- Measure A – County ½-cent Transportation Sales Tax
- Measure W- County ½-cent tax Congestion Relief Plan
- Gas Tax
- Facilities Building Fund
- Atherton Channel Fund
- Measure S – Special Parcel Tax (Remaining Residual Funds)
- Library Fund
- Donations

ANALYSIS

This section is a fund-by-fund analysis of the various Town Funds.

LIBRARY FUND

REVENUES

The Town is a member of the San Mateo County Library JPA system. The Library is funded through property taxes that are collected and allocated to library services. Under the JPA, jurisdictions are permitted to retain excess funds generated from the local property taxes as long as the basic library services are met. The Town over the years accumulated excess revenue in the Library Fund. As these are Town revenues, the excess funds may be used to augment library services and/or fund future library capital infrastructure needs. These excess funds are committed as the primary funding source for the construction of the new Atherton Library as well as extended library hours of daily operation, utilities, and maintenance costs. *The SMCL agreed to the advancement of Library Trust funds for the completion of the project. In August 2020, the SMCL Advanced \$5,391,725 inclusive of project costs and contingency. Upon completion of the new Atherton Library, annual excess funds will be retained by the Library JPA until the total advancement amount is reimbursed. Once the advancement of funds is reimbursed, any remaining funds will be evenly split, with the Library JPA retaining half and the remaining half accumulated as Excess Funds held by the Library JPA for library-related activities in the Town of Atherton.*

The anticipated FY 2020/21 ending balance for the Library Fund is \$6,289,539. Funds are now held in trust by the Town. The Town holds \$9,125,019 (this amount includes \$3,915,948 Funds previously held by SMCL as of the June 30, 2020 Audit and the \$5.39 Million advancement of funds received in August). The County holds all future excess funds. The projected Library Fund Revenue for FY 2021/22 is \$1,500,000. As discussed earlier, the Town will not receive excess funds from the JPA until the advancement of funds are paid back. It is estimated that it will take

approximately 3.5 to 4 years for reimbursement of the advancement of Library JPA funds. This is estimated at \$1.5 Million excess donor funds per year. As the Library funds come from basic property tax allocations, similar to the Town, it is unlikely that there will be a COVID-19 impact in FY 2021/22. Library operations during the year experienced temporary closure, with transition to remote programming accessible to the public, and limited onsite operations. There is the potential for additional excess funds in FY 2020/21 than projected that could assist in the Town repayment of advancement of funds. The estimated available funding for FY 2021/22 including the advancement of Library Trust funds, is \$6,289,539.

EXPENDITURES

The construction cost for the Library is \$18,375,965 with a current change order amount of \$494,671 for current estimated project costs of \$18,870,637. The remaining current construction only costs with current known change orders is \$6,258,810. For the FY 2021/22 budget, staff has allocated \$4,135,000 for the Library's portion of the Town Center Project. This amount includes estimated remaining construction costs of \$3,912,000, project management oversight of \$223,000. This is an estimate only based on a draw down schedule as the project was delayed due to the COVID-19 SIP Order. The estimated remaining costs are based on the current year draw down schedule. Staff may return to the Council to amend the CIP project budget to reflect the remaining costs more accurately for the project. The FF&E expenses of \$1.37 Million were extrapolated from the Town costs as the Library JPA is now funding these costs directly,

Remaining allocations include \$190,075 for operations, utilities, and maintenance costs. Included in this amount are the new facility & maintenance costs for the new Civic campus and buildings. There is remaining rental cost of \$19,825 for the Library temporary trailers prior to moving into the new Library. There is anticipation that the Library will be completed in early fall. As discussed during the operations budget, there are estimated impacts for the new Town Center & Library Civic campus. The new buildings will require maintenance and monitoring costs for several new systems that will require heightened attention. For the first year of the building onboarding, staff recommends hiring a Facilities Manager via contract to provide oversight and staff systems training. The new costs to the Library are estimated at \$31,000. There is an anticipated increased level of landscaping maintenance services for the Town Center and Library. The estimated Library costs is \$27,000. There is estimated increase of \$47K in operation cost for Custodial Services to \$58,000 for increased level of service for the Library. Utility costs for electricity and water are expected to increase \$18.8K to \$32,000. With the advancement of funds and *current known costs* for construction and operations, the Library is projecting an ending fund balance of \$2,064,464. The Town Center "project" should be completed in the fall of FY 2021/22.

OTHER RESTRICTED FUNDS

The Town maintains a variety of Special Revenue and Internal Service funds that are "restricted funds" for specific purposes beyond basic capital improvement. Revenue to internal service funds are in the form of General Fund department charges based on allocations by department and uses.

EQUIPMENT REPLACEMENT FUND

The Equipment Replacement Fund is an internal depreciation fund for the replacement of large assets. The Fund is essentially the Town's savings account to replace large equipment assets over time – such as computer equipment, software assets, vehicles, trailers, emergency equipment, etc. The Town uses this Fund so that when such equipment reaches its useful life, there is no impact to the Town's Operational year funding to replace the equipment. There are sufficient funds in the account to accommodate emergency needs as well as planned needs. Revenue to the Fund comes from the allocation of costs to departmental budgets for specific future equipment replacement and ultimate purchase. Funds have been allocated to the Equipment Replacement Fund via Departmental allocations over various budget years to fund these purchases.

The FY 2021/22, revenues total \$144,400 and the expenditures total \$121,800. There is a allocation charge of \$35,000 in the Police Department for FY 2021/22 for the purchase of future vehicle. The Department anticipates the purchase of 1 new replacement vehicle to the fleet (1 Hybrid unmarked car), for an amount of \$35,000 to outfit the vehicle. In addition, the Department plans to purchase supplemental equipment to include defensive tactics tools \$3,500, Narcan, \$2,500, Sims guns/protective gear/handguns and rifles \$15,000. Additional equipment includes training Mat \$3,800, Lidar gun \$5,000, and E-cites printers \$17,000 for a total of \$46,800.

Request	Amount	Description
1. Defense Tactics Gear	\$3,500	Training Gear
2. Narcan	\$2,500	Current order expires Sept/Oct 2021
3. Sims guns/protective gear/handguns/rifles	\$15,000	Protective gear and equipment
4. Training Mat	\$3,800	Training defense equipment
5. Lidar Gun	\$5,000	Traffic enforcement radar gun
6. E-Cite Printers	\$17,000	Printers for issuance of citations
Total Amount	\$46,800	

There are charges in the FY 2021/22 Budget for future equipment for the Public Works Department. There is an increase in equipment replacement charges of \$17,500 for the department for future replacement of the current Camry hybrid vehicle and new generator at Town Center. The Public Works Department also anticipates the replacement of the current 2001 Dodge pickup truck. The vehicle is twenty years old and in need of replacement. The department has delayed replacement and believed to get the most out of the vehicle prior to replacement. The Town Arborist currently uses this vehicle for site and inspection visits throughout the community. This is a planned vehicle replacement and the Department has been charged over time for the replacement cost. Staff looks to purchase a hybrid model vehicle. The beginning fund balance is estimated at \$984,767. The FY 2021/22 ending fund balance is projected at \$1,007,367.

WORKERS' COMPENSATION FUND

The Workers' Compensation Fund accounts for the cost and expense of managing the Workers' Compensation Program through the Town's self-insurance risk pool, Cities Group Joint Powers Authority. Within this Fund are costs related to risk management and prevention – safety training, educational materials, and accident prevention programs. As a member of a JPA, the Town contributes an annual assessment to the JPA based on all recognized and potential liability. These assessments or contribution rates are calculated annually based on agency claims history and any increases in loss recovery due to excessive claims losses.

The Workers' Compensation Fund tracks expenditures for related expenses across the various departments. Each department is charged an allocation of the expense based on the number and type of personnel within each department. Departmental costs are different not only due to the number of employees within the department but also the type of employee – public works, administrative, public safety, etc. directly related to the type of risk exposure.

As discussed in the Operational Budget, the Workers' Compensation charge to the Police Department is 11% of salary costs and the rate for all other departments is 4% of salary costs. In FY 2018/19 the rate was increased from 10% to 11% in order to recover the Town's self-insured negative equity reserve. We continue monitoring the rates charged to departments every year. Staff recommends that the Workers' Compensation rate charges be maintained at their current levels.

The Town maintains an active Workers' Compensation Risk Management Program. There are approximately 13 open claims that are incurring a reserve claims set aside cost of approximately \$757,134 in the current year. Some are major and some are minor claims that increase liability and are considered a series of random events. This is an increase of \$290,408 from previous year. Claim costs and reserves are established for each claim; however, these amounts are not indicative of the actual claim paid. The five-year average claim loss/expense is approximately \$172,421.

Because the Town is self-insured, claims represent an existing liability against the Town's equity reserve. In the current FY Budget, there was no equity replenishment allocation from the General Fund as there was no requirement for an equity replenishment in FY 2020/21 budget. In the FY 2019/20 budget, the City Council allocated \$110,000 towards the elimination of the Town negative equity reserve to maintain its level in Worker's Compensation assessment expense. If the equity is not refreshed as a one-time contribution, annual operational rates increase when the Cities Group JPA creates a "special assessment" as part of the agency base rates. To prevent special assessments from the Claim's Administrator that affect operational costs, JPA agencies benefit from maintaining their equity reserves. To maintain the required equity reserve, a replenishment is needed. Staff included an allocation of \$221,551. This will replenish the reserve and staff recommends this come from the Workers Compensation Fund residual balance in FY 2021/22 Budget. Currently, there are reserves in the Town's Worker's Compensation Fund for future allocations.

Staff believes that each year it is sensible the Town review and establish the minimum equity reserve. This allows the reserve to be used as needed and eliminates the possibility that an

assessment expense is incurred over multiple years impacting operational costs. Total Workers' Compensation charges expense increased by \$8,133 to a total of \$421,273 to recapture losses in self-insured claims.

Projected revenues to the fund are \$425,062 and expenditures for FY 2020/21 total \$387,433. This includes the FY 2021/22 JPA assessment expense of \$159,264 an increase of \$39,817, and safety compliance expense of \$6,618. There is an equity replenishment contribution of \$221,551 This produces revenue over expenditures of \$37,629. As the Town has experienced underfunded reserves over the years within the JPA, the revenue charges to the Fund have produced a build-up of net assets in the event claims losses change over time.

GENERAL LIABILITY FUND

The General Liability Fund accounts for the insurance cost of general liability claims and property losses. The Town is part of an insurance pool administered by PLAN JPA. The activities within this Fund provide for expenses related to general liability insurance, employment practice insurance and self-insured retention claims. Total internal service charges from the General Fund for FY 2021/22 are estimated at \$337,838. The total FY 2021/22 projected expenditures for this fund are \$335,628. This includes the self-insurance retention expense of \$100,000 that allows the payout of 4 claims at \$25,000 per claim. The Town does not anticipate expending retention expenses for 4 claims in the fiscal year, however, the amount is a requirement established by PLAN JPA.

For the past several years, the Town's liability insurance expense with PLAN JPA has remained static. For FY 2021/22 there is a projected budget increase of \$33,835 in liability insurance for the Town. Total liability and employment practice coverage is estimated to be \$235,628, a total increase of \$37,394. The estimated liability insurance expense is \$187,583. The Town liability and employment insurance expense for the current FY was \$198,234. Total current claim retention expense for the FY is \$5,017. The FY 2021/22 ending fund balance is projected at \$651,126. The revenue charges to the Fund over the years has produced a build-up of net assets and if appropriate could see a reduction in charges to the General Fund in future years.

EMPLOYEE BENEFITS FUND

The Employee Benefits Fund tracks expenditures across various departments for employment, unemployment, retirement, and healthcare benefits. Revenue to the fund comes through charges allocated back to each departmental budget based on number and type of personnel within each department. Revenue to the Fund for FY 2021/22 is \$962,299. Expenditures for FY 2021/22 are \$763,747. Most of this expenditure is the \$566,328 "pay as you go" retiree health care benefit contribution.

Within this fund is also the employee benefits charge of \$155,469. This is a charge of 1.5% to 2% of the General Fund Operational Departments salary expense that is allocated for personal leave contributions of sick, vacation, and holiday pay. This is for accruals of compensated absences for the Town as they reside in this Fund. There was an increase in employee benefits allocation charge

for contribution to the Employee Benefits Fund for accrual calculations for vacation, sick leave accruals. Police department percentage increased from 2% to 3% for an increase of \$45,305 expense and all other departments increased from 1.5% to 2% for an increase of \$8,693. The Town has a total compensated absences balance of \$772,591. Compensated absences comprise of accrued time-off, vacation and holiday pay for all employees and is recorded as a liability. These are amounts that would be liquidated or mature due to termination of Town staff. These funds are accounted for as part of the Town's annual audit.

Included within this fund is also unemployment insurance charges if there are any future claims charges to the Town. Any claims would be paid out of this fund. The total budgeted charge is \$58,082. During the General Fund Operations presentation, staff recommended the Town make an additional contribution of \$182,419 towards the Town OPEB trust to satisfy the minimum required ARC. This contribution is distributed amongst respective departments and is based on retiree health cost allocation. As of the June 30, 2020 OPEB actuarial valuation report, the Town's (ARC) is \$748,746. As previously mentioned, the FY 2021/22 "pay as you go" retiree health care costs are \$566,326. This is an increase of \$84,867. These costs are included and charged to respective departments and allocated to the Employee Benefits Fund. With the implementation of GASB 74 and GASB 75 in FY 2017/18, the OPEB liability is now recorded in the Town financial statements. The Town's OPEB liability is \$10.43 Million and there is approximately \$8.1 million maintained in the Town OPEB Trust. This results in an estimated Net OPEB liability of \$2.33 Million. The projected ending fund balance for FY 2021/22 for the fund is \$1,073,864.

TENNIS FUND

The Tennis Fund projected revenues are \$58,900. A majority of this revenue attributable to the facility management services contract with Player Capital. This contract provides additional yearly revenue of \$40,000 to the Park. Player Capital Tennis is the exclusive provider of tennis lessons and clinics and serves as facility manager through the online court reservation system. Due to COVID-19, key sales and use of the courts increased. A total of 171 residents have bought keys, an increase of 56 residents over the prior year. Keys are sold on an annual basis to any person (resident or non-resident) that wishes to use the Tennis courts. The sale of keys are for the maintenance and rehabilitation of the courts. Due to future court increased maintenance needs and expanded use of the courts, the Tennis Key fees were increased in January 2020. The standard key for residents was increased from \$50 to \$100 and includes clay court key, and the non-resident key increased from \$200 to \$275.

In previous years there was the installation and rehabilitation of the tennis shelter area at the courts. Every year the Town tries to resurface and maintain the courts. The resurfacing treatment is limited in its impact and was suggested that a more comprehensive repair or complete rehabilitation of a couple of the courts was warranted. Over the years the Tennis Fund has slowly accumulated reserves of approximately \$200,000 that could be used for the more comprehensive repair. The increase in Tennis keys will help the continued accumulation and assistance for cost of maintenance of the courts.

The FY 2021/22 budget includes the purchase of tennis keys by residents and non-residents providing annual revenue of approximately \$18,300. This is an increase of approximately \$11,800. The charges for keys are \$100 for Atherton Residents for a standard tennis key/with clay court access. The standard key fee for non-residents is \$275 and clay court access of \$30/hour. Each January, new tennis keys go on sale for the new court locks that get installed in February. Due to COVID-19 staff believes that the increase use and the purchase of keys should remain static as more people seek more specific activities to mitigate exposure.

For FY 2021/22, the Town anticipates expenditures of \$197,500 (inclusive of capital costs). This includes \$10,000 for contract maintenance services for MCE, general court maintenance and potential rehabilitation of approximately 3 courts \$185,000 and \$2,500 for building security court gates upkeep. The Town will continue maintenance on the clay court in FY 2021/22.

The beginning fund balance is estimated at \$194,674. The fund projects total revenues of \$58,900 to expenditures of \$197,500. The FY 2021/22 ending fund balance is projected at \$56,074.

COPS - CITIZEN'S OPTION FOR PUBLIC SAFETY

The COPS Office was created as a result of the Violent Crime Control and Law Enforcement Act of 1994. As a component of the Department of Justice, the mission of the COPS Office is to advance community policing in jurisdictions of all sizes across the nation. Community policing focuses on crime and social disorder through the delivery of police services that includes aspects of traditional law enforcement, as well as prevention, problem-solving, community engagement, and partnerships. In FY 1996/97, the California State Legislature created the Citizen's Option for Public Safety (COPS) Program. Funds have been available through the State of California to local entities in the form of Citizen's Option for Public Safety (COPS) Grant. The Town in recent years has received approximately \$155,000 per year from the grant. Funds must be used for front-line law enforcement only. The Town anticipates receipt of this funding on an annual basis and funds are used for sworn personnel salary related expenditures.

OVERALL SUMMARY

The above represents the Special Revenue and Internal Service Funds of the Town. These Funds play a vital role in the continued operation of the Town. The Tennis Fund is becoming a self-reliant fund with the onboarding of Player Capital and the addition of amenities such as the newly installed clay court and revitalized tennis shelter. There is anticipation for increased maintenance and rehabilitation of the Tennis Courts as the Fund has accumulated reserves, increased fees for keys, and maintained its facilities management contract. The COPS grant provides approximately \$155,000 in grant funding that the Town uses every year towards funding of sworn police personnel. The Town's Internal Service Funds provide the financing and accounting of special activities and services performed by the General Fund, the main operating fund of the Town. These funds do so on a cost reimbursement basis to account for replacement of equipment, financing of outstanding workers' compensation, and other outstanding liabilities. From time-to-time reimbursement costs to these funds are increased to ensure the Town meets its operation costs without any additional burden to the Town operating budget. These funds serve as an efficient way

of internally financing Town operational needs and alleviates the day-to-day burden on the General Fund. As some of these funds have accumulated a build-up of net assets, there could potentially be a reduction of General Fund allocation expense to these internal service funds in future years.

CAPITAL IMPROVEMENT FUND

The five-year CIP proposes projects to analyze, repair or improve Town infrastructure, and the funding for those projects. The fifteen (15) projects are categorized into three areas:

- Streets & Transportation
- Drainage
- Town Buildings, Park and Facilities

Projects have been developed based on needs identified by City Council, residents, staff, and adopted master plans.

The 1st year (FY 2021/22) of the CIP is incorporated into the Town's Budget and is the **only year** for which the City Council applies available funding. The remaining four (4) years of the CIP reflect proposed projects and funding. These "out years" are revised annually to reflect changes in City Council priorities, direction, needs and funding availability. The CIP is reviewed by the Town's Planning Commission each year for consistency with the Town's General Plan. This year's CIP will be reviewed by the Planning Commission at their May 26 meeting. The Commission will send their comments in writing to the City Council prior to Council's June 16 meeting at which the Council is scheduled to adopt the budget, inclusive of the CIP.

ANALYSIS

The 5-year CIP is presented to City Council tonight in the Study Session workshop format to allow for questions and discussion of individual projects, general discussion about broader objectives to be considered for future proposed projects and priorities for allocating funds. In broad areas of the five largest CIP expenditures, this year's CIP recommends:

- \$4.1 million for the Atherton Library;
- \$3.9 million for the Atherton Civic Center;
- \$1.5 million for Drainage Improvements Program;
- \$1.05 million for Park Master Plan Implementation; and
- \$0.88 million for the Road Maintenance Program.

The total allocation for the 5-year period from FY 2021/22 through FY 2025/26 totals nearly \$15.9 million – the largest expenditures attributable to the Civic Center and Library Project.

The Special Parcel Tax provided funding to maintain police emergency response services, street repair and maintenance, drainage facility repair and maintenance, and other capital improvements. The Special Parcel Tax generated approximately \$1.86 million annually and was divided 20% to

Police Services and 80% to capital projects. The sunset of the Special Parcel Tax required the discontinuation of certain programs and projects. Allocations of the remaining balance of Special Parcel funds have been extended through 2024.

Following the workshop, staff will implement changes directed by Council and present the CIP to City Council for consideration at the June Council meeting.

POLICY FOCUS

There are a several issues inherent in the selection of proposed projects, project schedules and project funding. The Town has a number of Master Plans that identify a variety of projects to be completed. Based on critical need, recommendations from Town committees, and goals set by the City Council, staff has compiled the proposed CIP.

Clear priorities include: The Civic Center Master Plan and Library Projects, the Annual Road Maintenance Program, Park Master Plan improvements, the completion of identified projects within the Bike/Ped Master Plan, Drainage Master Plan, Green Infrastructure Plan, and the Neighborhood Traffic Management Action Plan, which is currently under development. Funding for the CIP consists of a variety of sources, some of which are restricted, such as Measures A, Measure M & Measure W funds and Library Donor funds, as well as funds allocated from the voter-approved Special Parcel Tax, from Gas Taxes, and the General Fund.

The CIP includes a number of basic maintenance improvement projects that are routine in nature and occur year over year. However, the CIP also includes several projects that may require policy feedback from the City Council. Specific projects for which staff anticipates Council policy feedback are:

- Neighborhood Traffic Management Program – Page 11, #56078
 - \$160,000 of Measure A funds are budgeted but there are no specific identified projects. This funding is intended to support projects and priorities identified through the Neighborhood Traffic Management Action Plan which is currently under development.
- Civic Center Master Plan Implementation Program – Page 26, #54015
 - This program includes the improvement of the former Atherton Station Building for integration into the new Civic Center. Funding for this project is pending the approval of a funding agreement with the San Mateo County Transportation Authority, which has approved \$400,000 towards station area improvements and the study of an active transportation route to the Meno Park station.
 - Staff will be seeking guidance from the Council on the use and design elements of the Station building and site for integration into the Town Center.

FISCAL IMPACT

There is no fiscal impact of the review and discussion of the CIP. Upon Council approval of the projects and funding for FY 2021/22, those approved projects will be incorporated into the Town's Budget and their approved amounts will be reflected in the Budget and in remaining fund balances.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials.

The Town maintains a Fiscal Transparency web portal and includes all budget information on its website. Links to these various areas are below:

Fiscal Transparency Web Page:

<http://www.ci.atherton.ca.us/index.aspx?NID=269>

Archive of Town Budgets:

<http://www.ci.atherton.ca.us/index.aspx?nid=273>

Financial Data Portal (OpenGov):

<http://www.ci.atherton.ca.us/index.aspx?nid=361>

Financial Audit Archive:

<http://www.ci.atherton.ca.us/Archive.aspx?AMID=39&Type=&ADID=>

Actuarial Valuations Archive:

<http://www.ci.atherton.ca.us/Archive.aspx?AMID=61&Type=&ADID=>

Labor Contracts, Agreements, and Salary/Benefit Information:

<http://www.ci.atherton.ca.us/index.aspx?nid=192>

ATTACHMENTS

FY 2021/22 Internal Service, Library, Tennis Funds & Other Special Revenue
FY 2021/22 Capital Improvement Program

Town of Atherton Annual Operating Budget FY 2021-2022
Special Revenue Fund
Library Fund

Account	Description	Actual 2019-20	Adopted Budget 2020-21	Estimated Actuals 2020-2021	Proposed Budget 2021-22
213-00-40001-000	Secured Property Tax	2,003,683	1,450,000		
213-00-48001-000	Interest Income	217,408	100,000		100,000
	Advancement of Funds			5,391,725	
	Total Revenues	2,221,091	1,550,000	5,391,725	100,000
213-00-58003-000	Trans to Facilities Const-406	6,478,637	14,261,490	7,856,243	4,135,000
213-30-52007-000	Other Legal Services				
213-30-52011-000	Contract Planner				
213-30-52024-000	Architectural Services				
213-30-52027-000	Environmental Consulting Svcs				
213-30-52031-000	Contract Maint Services	6,365	18,000	6,819	19,000
213-30-53003-000	Building Security		250		250
213-30-53004-000	Facility Repair & Maintenance	515	2,000		2,000
213-30-53008-000	Contract Custodial Services	9,337	11,000	6,381	58,000
213-30-53014-000	Utilities - Electricity	4,961	10,000	3,242	24,000
213-30-53015-000	Utilities - Gas	0	200		200
213-30-53016-000	Utilities Water	799	3,200	520	8,000
213-30-53017-000	Utilities - Sewer			396	
213-30-53024-000	Advertising & Noticing				
213-30-53035-213	Other Rents & Leases		47,600	39,659	19,825
213-30-53036-000	Contract Pesticid & Fertilizer		800		800
213-30-54010-000	Other Contract Services	50,315			58,000
213-30-55016-000	Other Supplies & Materials	70	1,837,596		-
	Total Operations	6,550,999	16,192,136	7,913,260	4,325,075
	Total Expenditures	6,550,999	16,192,136	7,913,260	4,325,075
	Excess (Deficiency) of Rev Over Exp	(4,329,907)	(14,642,136)	(2,521,535)	(4,225,075)
	Beginning Fund Balance	13,140,982	8,811,074	8,811,074	6,289,539
	Ending Fund Balance	8,811,074	(5,831,061)	6,289,539	2,064,464

Town of Atherton Annual Operating Budget FY 2021-2022
Special Revenue Fund
Library Budget Object Details

Fund 213 Acct Description	Quantity, brief description and justification of items requested	FY 2022 Recommended Appropriations
Contract Maint Services	MCE contract maint for HVAC, electrical, roof and landscape services, etc.	19,000
Building Security	Misc locks, etc	250
Facility Maint and Repair	Scheduled maint and misc repairs as needed	2,000
Contract Custodial Services	Portion of Town janitorial contract	58,000
Utilities - Electricity	Operating electricity	24,000
Utilities - Gas	Operating gas	200
Utilities Water	Operating water	8,000
Other Rents & Leases	Library Temporary Trailers lease	19,825
Contract Pesticid & Fertilizer	Vector control	800
Maintenance & Monitoring	New Building Maintenance & Monitoring	31,000
Landscape Maintenance	Library Landscaping Services	27,000
Other Contract Services	Library allocation portion new Town Center Construction, project management, FF&E	4,135,000
Other Supplies & Materials	10 % Contingency of Library project	
	Total Library	<u><u>4,325,075</u></u>

Town of Atherton Annual Operating Budget FY 2021-2022
Internal Service Fund
Equipment Replacement Budget By Account

Fund 610 Account	Description	Actual 2019-2020	Adopted Budget 2020-2021	Recomm Budget 2021-2022
610-00-48001-000	Interest on Investments	12,503	2,600	2,600
610-00-47509-012	Equip Replace Charges - Admin			
610-00-47509-018	Equip Replace Charges - Finance	10,000	10,000	10,000
610-00-47509-040	Equip Replace Charges - Police	121,000		81,800
610-00-47509-050	Equip Replace Charges - DPW Engineering	8,000	8,000	13,000
610-00-47509-053	Equip Replace Charges - DPW Street Maint	9,000	9,000	9,000
610-00-47509-057	Equip Replace Charges - DPW Park Maint	3,000	3,000	3,000
610-00-47509-059	Equip Replace Charges - Building Maint	12,500	12,500	25,000
610-00-48004-000	Sale of Property	112		
	Total Revenues	176,115	45,100	144,400
	Depreciation			
610-18-57006-018	Computer Software		-	-
610-12-57004-012	Machinery & Equipment	6,694	-	-
610-40-57004-040	Machinery & Equipment	85,686	-	-
610-40-57005-040	Vehicles & Accessories	129,177	177,000	81,800
610-50-57005-050	Vehicles & Accessories	11,980	-	40,000
	Total Expenditures	233,538	177,000	121,800
	Excess (Deficiency) of Revenues Over Expenditures	(57,423)	(131,900)	22,600
	Beginning Net Asset (Deficit)	1,174,090	1,116,667	984,767
	Ending Net Asset (Deficit)	1,116,667	984,767	1,007,367

Town of Atherton Annual Operating Budget FY 2021-2022
Internal Service Fund
Worker's Compensation Budget By Account

Fund 614 Account	Description	Actual 2019-2020	Adopted Budget 2020-2021	Recomm Budget 2021-2022
614-00-47503-012	Charges for Services - Admin Dept	20,210	19,061	19,429
614-00-47503-018	Charges for Services - Finance Dept	17,432	16,740	17,383
614-00-47503-025	Charges for Services - Building Dept	6,883	6,833	6,970
614-00-47503-040	Charges for Services - Police Dept	377,646	357,170	360,542
614-00-47503-050	Charges for Services - DPW Engineering	5,513	5,270	5,375
614-00-47503-053	Charges for Services - DPW Street Maint	4,404	4,171	4,255
614-00-47503-057	Charges for Services - DPW Park Maint	4,379	4,465	4,555
614-00-47503-058	Charges for Services - DPW Park Prog & Tennis Fd	1,762	1,669	1,702
614-00-47503-059	Charges for Services - DPW Building Maint	881	834	851
614-00-48001-000	Interest on Investments	24,091	4,000	4,000
614-00-49001-000	Transfer From General Fund	110,000		
	Total Revenues	<u>573,201</u>	<u>420,213</u>	<u>425,062</u>
614-30-51013-000	Worker's Comp Expense	168,910	119,448	159,264
614-30-51017-000	Safety/Compliance Program Assessment	6,258	5,795	6,618
	Reserve Equity Contribution	110,000		221,551
	Total Expenditures	<u>285,168</u>	<u>125,243</u>	<u>387,433</u>
	Excess (Deficiency) of Revenues Over Expenditures	288,033	294,970	37,629
	Transfer-in			
	Beginning Net Assets (Deficit)	<u>1,043,342</u>	<u>1,331,375</u>	<u>1,626,345</u>
	Ending Net Assets (Deficit)	<u><u>1,331,375</u></u>	<u><u>1,626,345</u></u>	<u><u>1,663,974</u></u>

Town of Atherton Annual Operating Budget FY 2021-2022
Internal Service Fund
General Liability Budget By Account

Fund 615 Account	Description	Actual 2019-2020	Adopted Budget 2020-2021	Recomm Budget 2021-2022
615-00-47504-000	Liability Insurance Charge	255,642	253,748	287,573
615-00-47505-000	Employment Practice Liability Charge	40,774	44,486	48,065
615-00-48001-000	Interest on Investments	13,508	2,200	2,200
Total Revenues		<u>309,924</u>	<u>300,434</u>	<u>337,838</u>
615-30-53019-000	Liability Insurance Expense	156,676	153,748	187,583
615-30-53020-000	Employment Practice Liability	54,847	44,486	48,045
615-30-53022-000	Liability Claim Expense	60,703	100,000	100,000
Total Expenditures		<u>272,227</u>	<u>298,234</u>	<u>335,628</u>
Excess (Deficiency) of Revenue Over Expenditures		37,698	2,200	2,210
Beginning Net Assets (Deficit)		<u>646,716</u>	<u>648,916</u>	<u>648,916</u>
Ending Net Assets (Deficit)		<u><u>684,414</u></u>	<u><u>651,116</u></u>	<u><u>651,126</u></u>

Town of Atherton Annual Operating Budget FY 2021-2022
Internal Service Fund
Employee Benefits Budget By Account

Fund 616 Account	Description	Actual 2019-2020	Adopted Budget 2020-2021	Recomm Budget 2021-2022
616-00-47506-000	GASB 45 ARC - Contribution	-	146,681	182,425
616-00-47506-012	GASB 45 ARC - Admin	49,403	20,961	20,191
616-00-47506-018	GASB 45 ARC - Finance	33,887	23,843	25,797
616-00-47506-025	GASB 45 ARC - Building	28,141	19,837	23,929
616-00-47506-040	GASB 45 ARC - Police	423,783	314,965	408,714
616-00-47506-050	GASB 45 ARC - DPW Engineering	39,492	20,806	29,532
616-00-47506-053	GASB 45 ARC - DPW Street Maint	101,193	72,630	49,953
616-00-47506-057	GASB 45 ARC - DPW Park Maint	9,380	4,362	4,343
616-00-47506-058	GASB 45 ARC - DPW Park Program	8,610	4,055	3,864
616-00-47507-012	EE Benefits Earned - Admin	8,908	7,148	9,714
616-00-47507-018	EE Benefits Earned - Finance	7,787	6,277	8,692
616-00-47507-025	EE Benefits Earned - Building	3,194	2,487	3,385
616-00-47507-040	EE Benefits Earned - Police	66,390	80,810	125,410
616-00-47507-050	EE Benefits Earned - DPW Engineering	2,504	1,901	2,588
616-00-47507-053	EE Benefits Earned - DPW Street Maint	1,987	1,564	2,127
616-00-47507-057	EE Benefits Earned - DPW Park Maint	2,072	1,675	2,277
616-00-47507-058	EE Benefits Earned - DPW Park Program	795	626	851
616-00-47507-059	EE Benefits Earned - DPW Bldg Maint	397	313	425
616-00-47508-012	Unemploy Benefits - Admin	4,772	4,765	4,857
616-00-47508-018	Unemploy Benefits - Finance	4,265	4,185	4,346
616-00-47508-025	Unemploy Benefits - Building	1,698	1,658	1,692
616-00-47508-040	Unemploy Benefits - Police	42,402	41,645	43,052
616-00-47508-050	Unemploy Benefits - DPW Engineering	1,344	1,268	1,294
616-00-47508-053	Unemploy Benefits - DPW Street Maint	1,101	1,043	1,064
616-00-47508-057	Unemploy Benefits - DPW Park Maint	1,095	1,116	1,139
616-00-47508-058	Unemploy Benefits - DPW Park Program	440	417	425
616-00-47508-059	Unemploy Benefits - DPW Building Maint	220	209	213
616-00-48001-000	Interest on Investments	27,048	4,500	4,500
616-00-49001-000	Transfer from General Fund			
	Total Revenues	872,307	791,747	966,799
616-xx-51009-xxx	Retiree Health-Care OPEB		146,681	182,419
616-12-51009-012	Retiree Health-Care (Admin)	19,864	20,961	20,191
616-18-51009-018	Retiree Health-Care (Finance)	22,981	23,843	25,797
616-25-51009-025	Retiree Health-Care (Building)	27,682	19,837	23,929
616-40-51009-040	Retiree Health-Care (Police)	306,553	314,965	408,714

Town of Atherton Annual Operating Budget FY 2021-2022
Internal Service Fund
Employee Benefits Budget By Account

Fund 616 Account	Description	Actual 2019-2020	Adopted Budget 2020-2021	Recomm Budget 2021-2022
616-50-51009-050	Retiree Health-Care (Engineering)	35,849	20,806	29,532
616-53-51009-053	Retiree Health-Care (Street Maint)	45,431	72,630	49,953
616-57-51009-057	Retiree Health-Care (Park Maint)	4,270	4,362	4,348
616-58-51009-058	Retiree Health-Care (Park Program)	3,793	4,055	3,864
616-30-51016-030	Unemployment Insurance		15,000	15,000
616-40-51016-040	Unemployment Insurance			
616-30-50013-030	Employee Benefits Earned	312,390		
616-30-51021-000	Net OPEB Expense	205,901		
	Total Expenditures	<u>984,713</u>	<u>643,140</u>	<u>763,747</u>
	Excess (Deficiency) of Revenues Over Expenditures	(112,406)	148,607	203,052
	Beginning Net Assets (Deficit)	<u>834,611</u>	<u>722,205</u>	<u>870,812</u>
	Ending Net Assets (Deficit)	<u><u>722,205</u></u>	<u><u>870,812</u></u>	<u><u>1,073,864</u></u>

Town of Atherton Annual Operating Budget FY 2021-2022
Special Revenue Fund
Tennis Fund 105

Account	Description	Actual 2019-2020	Adopted Budget 2020-2021	Recomm Budget 2021-2022
105-00-47027-058	Tennis Classes	36,667	40,000	40,000
105-00-47026-058	Tennis Keys	7,050	6,500	18,300
105-00-48001-058	Interest Income	3,502	600	600
105-00-48501-000	Donation & contributions			
Total Revenues		47,219	47,100	58,900
105-58-52031-000	Contract Maint Services	2,518	10,130	10,000
105-58-53003-000	Building Security	1,720	2,500	2,500
105-58-53004-000	Facility Repair & Maint	3,917	35,000	180,000
105-58-55012-000	Construction Materials	39,388	5,000	5,000
Total Operations		47,543	52,630	197,500
Total Expenditures		47,543	52,630	197,500
Excess (Deficiency) of Rev Over Exp		(325)	(5,530)	(138,600)
Contribution from MALL Player Capital contract				
Beginning Fund Balance		200,529	200,204	194,674
Ending Fund Balance		200,204	194,674	56,074

Town of Atherton Annual Operating Budget FY 2021-2022
Special Revenue Fund
COPS Grant

Account	Description	Actual 2019-2020	Adopted Budget 2020-2021	Proposed Budget 2021-2022
209-00-45019-040	Grant	156,185	140,000	155,000
209-00-48001-040	Interest Income	-	146	146
Total Revenue		156,185	140,146	155,146
209-40-50001-040	Salaries related expenditures	156,185	140,146	155,146
Total Expenditure		156,185	140,146	155,146
Excess (Deficiency) of Rev Over Exp		-	-	-
Beginning Fund Balance		(0)	(0)	(0)
Ending Fund Balance		(0)	(0)	(0)



Town of Atherton

2021/2022

Special Revenue, Internal Service Funds Presentation



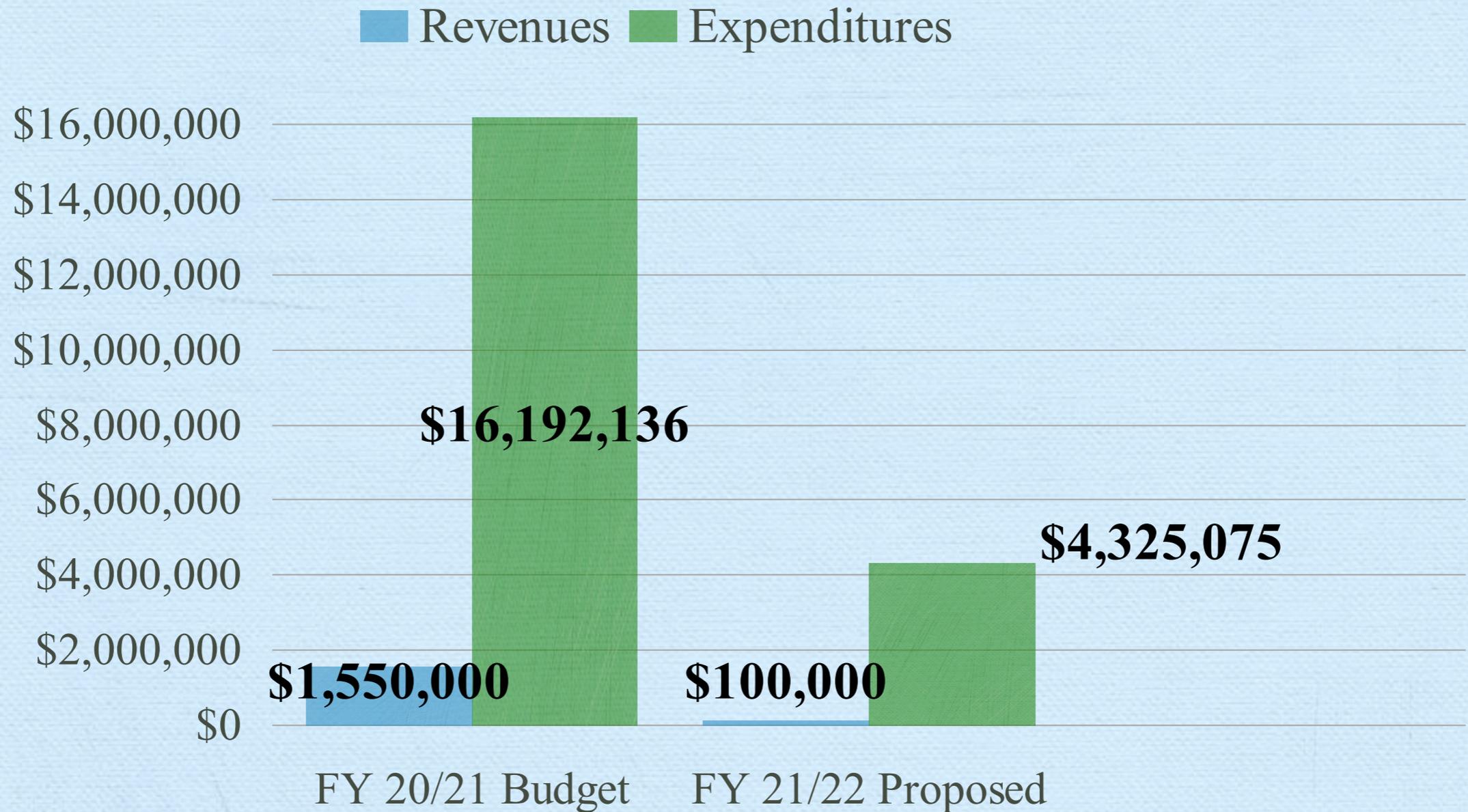
Special Revenue- Internal Service Fund- CIP

- ❖ Special Revenue Funds account for revenues derived from specific sources
- ❖ Revenues to these funds are required by law or administrative regulation to be accounted for in a separate fund
- ❖ Examples are the Library Fund, the Special Tax (Parcel Tax Fund), Equipment Replacement Fund, Workers' Compensation Fund, etc.
- ❖ Town Capital Improvement Program (CIP) is a five-year program that proposes projects to analyze, repair, or improve Town infrastructure.



Major Special Funds

Library - Revenues to Expenditures



2021/22 Expenditures: Library Schedule Portion of Construction Civic Center \$4.135 M; \$190K Basic levels of operation; Utilities & Maintenance & Other Contract Services increases



Major Special Funds Library – Funds Held

■ Funds Held Town ■ Funds Held Library JPA ■ Advancement of Funds JPA



FY 20/21 estimated available funding \$6,289,539; inclusive of Fund Balance, FY 21/22 revenue and estimated Excess Donor Funds of \$1,500,000 to be kept by SMCL



Other Restricted Funds

- ❖ **Equipment Replacement Fund** – Fund used for replacement of equipment assets -\$81.8K; 1 PD vehicle, \$46.8K Defensive tactics and protective gear, training equipment, Traffic enforcement radar gun, E-cite Printers; PW 1 – Arborist vehicle replacement \$40K; equipment replacement charges \$17.5K
- ❖ **Workers Compensation Fund** – Internal fund used to account for workers’ compensation departmental charges. Charges to departments total \$425,062 against expenditures of \$165,882 via a JPA Assessment and \$222K Equity Reserve contribution
- ❖ **General Liability Fund** – Internal fund to track the costs for liability claims and property losses; Claims administration expense of \$335,628 includes total liability and employment practice coverage \$235,628; and self-insurance retention expense of \$100,000
- ❖ **Employee Benefits Fund** – Internal fund to account for “pay as you go” retiree healthcare \$566,326 and OPEB ARC Allocation \$182,419
- ❖ **Tennis Fund** – Fund for receive of Player Capital Funds and charges of \$58,900 against expenditures of \$197,500 (Contract Maintenance, building security, rehabilitation, resurface, and restriping tennis courts – additional funds come from fund balance)
- ❖ **COPS Fund** – Annual frontline law enforcement funds



Town of Atherton

Questions?

Town of Atherton

Capital Improvement Program

FY 2021/22 -2025/26

Town of Atherton
Public Works Department
150 Watkins Avenue (Temporary Trailers)
Atherton, CA 94027
www.ci.atherton.ca.us

Streets & Transportation

Drainage

Town Buildings, Park & Facilities





Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

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**Capital Improvement Program
Fiscal Years 2021/22 through 2025/2026**

**Section I:
Introduction**



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

I. INTRODUCTION

About the Capital Improvement Program

The Town of Atherton's Five-Year Capital Improvement Program (CIP) summarizes anticipated resources and their estimated uses for major infrastructure and other capital construction, improvement, and maintenance projects.

The CIP is a five-year planning tool that identifies anticipated capital improvements and their funding sources from fiscal years 2021/22 through 2025/26. The CIP does not appropriate funds, but rather, it functions as a budgeting and planning tool which supports appropriations that are made through adoption of the annual budget. The CIP is updated annually to reflect the latest community priorities, infrastructure master plans, completed projects, updated project cost estimates and available revenue sources.

Master Plans

Atherton's City Council commissioned a number of Master Plans and studies, starting in FY 2012-13, in order to become well informed on the status of infrastructure needs. These master plans, evaluations and studies are for the following Town-owned facilities:

- Bicycle and Pedestrian Master Plan
- Holbrook-Palmer Park Master Plan
- Civic Center Master Plan
- Storm Drainage Master Plan
- Pavement Management Program Update
- Street Light Inventory

The purpose of the CIP is to incorporate the results from these Plans, along with other input including resident requests, to identify and describe capital projects that will be of long-term benefit to the residents of Atherton. As such, the programs and projects enclosed in this CIP are dedicated to enhancing accessibility, safety and the built environment throughout the Town by targeting various transportation, drainage, park, and facilities improvements.



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

The CIP projects were selected based on the following factors:

- Implementation of the Town's General Plan Guidelines
- Town Council and Community direction
- Implementation of accepted and approved Master Plans
- Implementation of Facilities' planning and priorities
- Ability to improve transportation deficiencies
- Maintenance needs and safety of roadways
- Drainage facilities enhancement needs

The five-year CIP identifies the highest priority capital needs that can be addressed within the available and forecasted revenue. These capital needs are matched to their eligible funding consisting of the previous year's fund balances and five-year revenue projections identified by the Finance department.

CIP Document Organization

The CIP is organized to serve two primary purposes. First, it describes funding sources and discusses their sources and uses. Next, it provides a description of the planned transportation, drainage, park and facility capital improvements developed through an examination of the Town's capital needs.

As such this CIP is organized into three parts.

- I. **Introduction:** This provides an overview of the purposes of the Capital Improvement Program.
- II. **Detail of Funding Sources and Revenues:** This section describes the anticipated funding and revenue sources supporting the projects and programs contained in this CIP.
- III. **CIP Project List and Budgeting Schedule:** This section provides a detailed overview of the projects and budgeting of project expenditures in relation to available forecasted funding over the next five years.



**Capital Improvement Program
Fiscal Years 2021/22 through 2025/2026**

**Section II:
Funding Sources
& Revenues**



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

II. FUNDING DESCRIPTIONS

The Town of Atherton's Capital Projects contained in this CIP are financed through a variety of funding and revenue sources. These funding sources may include:

- General Fund
- Measure S - Special Parcel Tax
- Measure A
- Measure M
- Measure W
- Gas Tax
- Atherton Library
- Atherton Channel Fund
- Donations

General Fund (Capital Improvement)

The General Fund provides funding for the Town's general programs and day-to-day operations. This includes Town management, administration, parks and recreation operations, public works operations, law enforcement, trash hauling, special operational programs, planning, and general Town services. When accounting for General Fund use, the fund description on the individual project pages shows as Capital Improvement.

The General Fund includes the money raised by the local property tax for a given year. It also includes an annual payment to mitigate accessibility risks from ABAG Plan, the Joint Powers Authority that provides liability insurance. When a project is funded with General Fund revenues, its entire cost is paid off within the year. The intent is to budget annually a certain amount from the General Fund to address Town priorities.



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Measure S (Special Parcel Tax)

Approved by a 2/3rds vote of Atherton residents in November 2013, Measure S (Special Parcel Tax) is an ordinance that continues the existing Town of Atherton Special Parcel Tax for four years. The most recent parcel tax expired in FY 2017/18. The Special Parcel Tax was not renewed in 2018. There are still residual funds that will be used for authorized capital project infrastructure needs, with available capital improvement funds programmed through FY 2023/24.

The Special Parcel Tax provided funding to maintain police emergency response services, street repair and maintenance, drainage facility repair and maintenance, and other capital improvements. The Special Parcel Tax generated approximately \$1.86 million annually and was divided 20% to Police Services and 80% to capital projects. The sunset of the Special Parcel Tax required the discontinuation of certain programs and projects.

Measure A

Measure A is a voter approved half-cent sales tax for countywide transportation projects and programs. In 2009, county voters overwhelmingly approved a reauthorization of Measure A through 2033.

The purpose of these funds are to maintain local streets and roads, repair potholes and sidewalks, develop alternative transportation options such as bicycling and pedestrian programs, and to develop and implement traffic operations and safety projects.

Measure A dollars are distributed on a formula allocation based on population and the number of road-miles. Atherton receives approximately \$370,000 annually through Measure A.

Measure M

Approved by voters in November 2010, the Congestion Management Agency for San Mateo County levies a \$10 registration fee on vehicles registered in San Mateo County. This Measure is set to expire in 2035 (25 years).



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

These funds help to maintain neighborhood streets, fix potholes, provide transportation options, improve traffic circulation, reduce congestion, reduce water pollution from oil and gas runoff, and provide safe routes to schools.

Approximately 50% of Measure M revenues fund Countywide Transportation Programs, and the other 50% is formula-allocated to local agencies. The Town of Atherton receives approximately \$75,000 per year from Measure M.

Measure W

Approved by voters in November 2018, Measure W is a half-cent sales tax on qualified retail transactions for use on transportation improvements and maintain affordable transit. This Measure is set to expire in 30 years (2048).

The distribution of funds are shaped by the San Mateo County Congestion Relief Plan. The Plan includes the five (5) following investment categories:

- Countywide Highway Congestion Improvements
- Local safety, pothole and congestion relief improvements
- Bicycle and pedestrian improvements
- Regional Transit Connections
- County public transportation improvements.

Ten percent (10%) of the annual revenue is allocated to the County of San Mateo and the cities of the County for transportation investments using a distribution formula that is based 50% on population and 50% on road miles (adjusted annually). The Town's allocation of the Measure W funds is approximately 1.74% of the City/County distribution, which is projected to be approximately \$145,000. The Town may use Measure W funds for street paving and pothole repair, bicycle/pedestrian safety projects, promoting alternative modes of transportation, planning and implementing traffic and safety projects including signal coordination, and implementing advanced technologies and communications of the roadway system.



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Gas Tax

Atherton receives a formula allocation of funds based upon population and lane miles. In FY 2021-22, the Town will receive approximately \$187,000 in regular Gas Tax revenues. This amount is augmented with additional revenues from the Road Repair and Accountability Act of 2017 (SB 1). Effective November 1, 2017, the gasoline excise tax was increased 12 cents per gallon and the excise tax on diesel was increased 20 cents per gallon. SB 1 also increased the vehicle registration tax effective January 1, 2018 and an additional vehicle registration tax will be applied to zero emission vehicles effective July 1, 2020. As a result, the total Gas Tax allocations to the Town is expected to be approximately \$325,000 in FY 2021/22. It is unlikely that the Town will be able to achieve the Maintenance of Effort requirements of SB 1 to continue to receive SB1 funds beyond FY 2021/22.

Atherton Library Fund

In 1999 the San Mateo County Library Joint Powers Authority (JPA) was formed to assist in governing library funds accumulated through Proposition 13 in 1978, which sets aside a proportion of assessed property values to fund California libraries. Under the JPA, jurisdictions retain a portion of the excess funds generated from the jurisdiction's property taxes as long as the basic library services were met. The Atherton Library fund is an accumulation of revenue in excess of annual operating cost generated over these years.

This funding surplus is restricted to include expenditures such as facility maintenance, facility remodeling or expansion, increased service hours, and expanding library collections.

Currently, since the revenue generated in the Town of Atherton exceeds the cost of library services provided by San Mateo County, a portion of the excess revenue is therefore returned annually to Atherton. There are two trust funds that hold the Library Donor Funds – one held by the County and the other held by the Town. All funds are dedicated for library purposes. This account is the primary funding source for the planning, design, and construction of the new Atherton Library to be built through the implementation of the Atherton Civic Center Master Plan.



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

The JPA has agreed to allocate their portion of the excess funds generated in Atherton towards the construction of the new Atherton Library.

As of the June 30, 2020 Audit, the combined total fund balance is approximately \$8.8 million. The beginning fund balance in the Town's Library Fund is estimated to be approximately \$4.9 million.

Atherton Channel Fund

Fees collected by the Town to finance drainage and related improvements/ repairs and environmental monitoring for those portions of the Channel for which the Town is responsible.

Donations

Because design and construction of the Civic Center is restricted from using General Fund and Parcel Tax money, the project's budget consists of three major sources: Building Capital and Library Fund (described in prior sections) and donations collected by a fund-raising group, Atherton Now, and donated to the Town to assist in funding the design and construction. Donations received prior to the initiation of construction have been expended. The Town has reengaged the community for additional donations associated with various project naming opportunities.

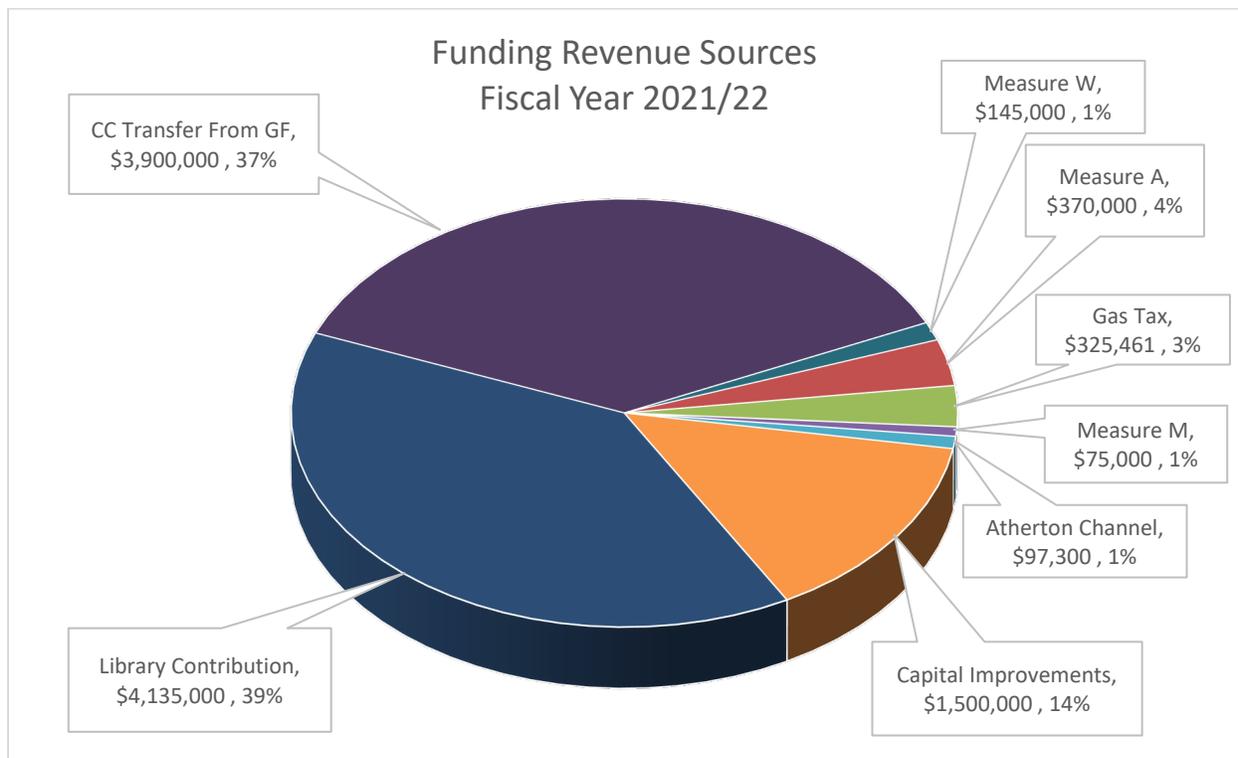


Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Fund Sources in FY 2021/22

The sources used to fund the FY 2021/22 capital improvements total approximately \$10.55 million and consist of existing fund balances plus new income. The four major sources of these funds are the Library, Facilities Construction, Measure A and Gas Tax. These funds are used to fund road maintenance, the Civic Center and Library construction projects. These and other capital projects are described in detail in the next section of this CIP.

The chart below depicts this fiscal year's funding sources for the Town's capital improvements.

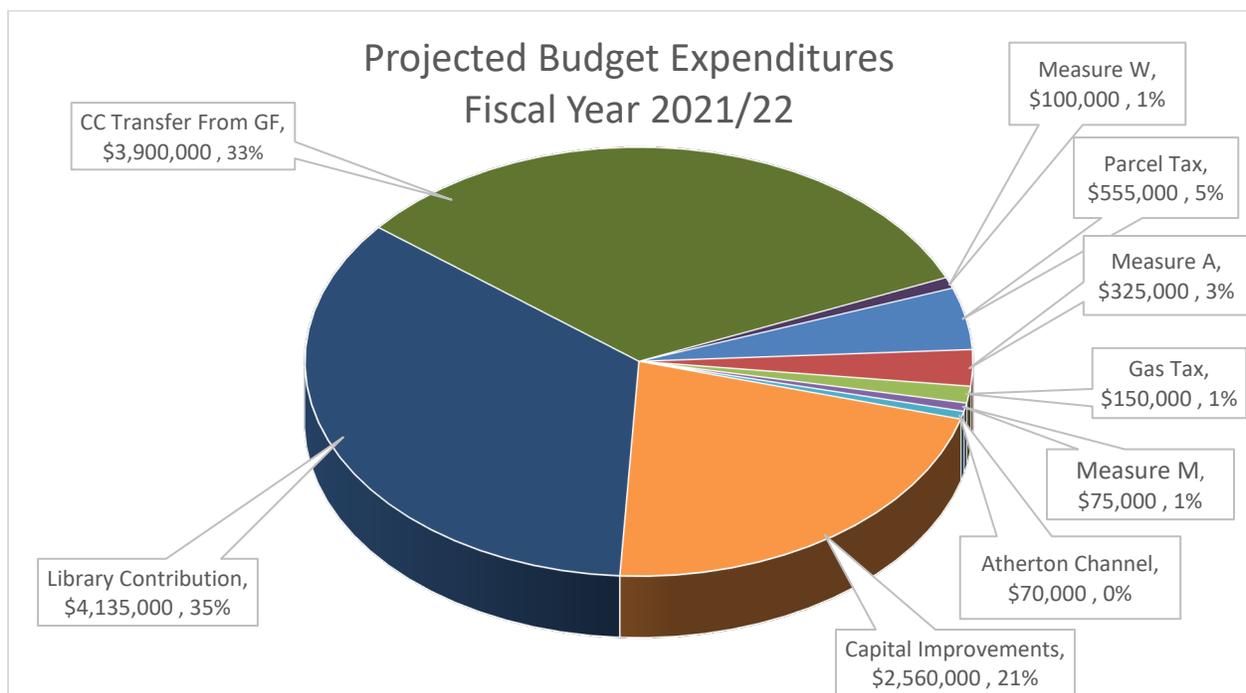




Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Capital Program Expenditures for FY 2021/22

For FY 2021/22, the CIP anticipates appropriating approximately \$11.87 million, in addition to prior year fund allocations. The major expenditures planned are for the construction of the Civic Center and Library. These project expenditures, in addition to other capital projects are identified in the chart below.





**Capital Improvement Program
Fiscal Years 2021/22 through 2025/2026**

**Section III:
Capital Projects**



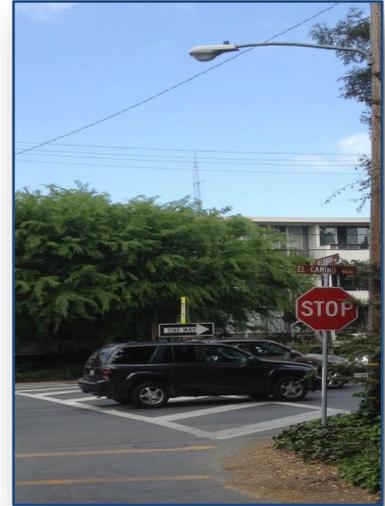
Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Streets & Transportation

Project Name: Traffic Control Devices Program - #56070

Project Description: This program provides ongoing funding for the repair and replacement of regulatory, warning and advisory street signage, striping, cross walks, and markings, necessary to maintain safe and efficient roadways within the Town of Atherton.

This program also provides a funding source to install additional signage identified by staff and/or the Transportation Committee and approved by the City Council, as necessary.



Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/27	Totals
Measure A	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,000
Totals	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,000



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Streets & Transportation

Project Name: Traffic Safety Improvement Program - #56064

Project Description: This program provides funding for data collection and studies such as engineering technical reports, traffic counts, speed surveys, and traffic signal warrant studies. It also funds minor traffic control measures and roadway improvements to improve vehicular, bicycle and pedestrian safety items such as; fixed solar powered radar speed indicators, and flashing LED pedestrian activated crossing signs. Priority projects include:

- Purchase three fixed solar powered radar speed indicators (FY 2022/23) – estimate \$15,000
- Traffic Counts and Speed Surveys

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Measure A	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
Measure M	\$15,000	\$15,000	\$15,000	\$0	\$0	\$45,000
Totals	\$40,000	\$40,000	\$40,000	\$25,000	\$25,000	\$170,000





Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Streets & Transportation

Project Name: Bicycle & Pedestrian Master Plan Implementation Program - #56059

Project Description: The Town's Bicycle and Pedestrian Master Plan was accepted by the Council in November of 2014. The Master Plan identifies priority Bicycle and Pedestrian improvement projects throughout Town. This program funds improvements to the routes as identified in the Master Plan.



Priority projects include:

- Identify opportunities to improve safety and awareness on heavily used routes servicing schools and parks
- Seek grant funding and partnership opportunities to implement improvements identified in the Town of Atherton Bicycle and Pedestrian Master Plan

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Measure A Fund	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000
Totals	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$125,000



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Streets & Transportation

Project Name: Road Maintenance Program - #56003

Project Description: This is an annual program combining patching, sealing and overlays to maintain roads in a cost-effective manner. Every two years, an engineering survey of pavement condition is performed by independent assessors, who determine a pavement condition index (PCI) and also recommends specific maintenance strategies for each road. Staff analyzes the data, conducts physical inspections and recommends an annual program to cost-effectively maintain roads. The funds proposed for this program have been increased from



an average of \$350,000 per year in prior years with the augmentation of the Special Parcel Tax and the approval of SB-1 to \$875,000 for FY 2021/22. Funds for this program are reduced going forward due to the sunset of the Special Parcel Tax. Funds associated with the Roadway Maintenance and Rehabilitation Account (RMRA) approved through SB-1 in 2017 are subject to maintenance of effort requirements which may not be achieved in future years.

The streets are to be determined based on their PCI index listing when it comes out in November along with visual assessments and other priorities. Special attention will be paid the Town's roadside drainage systems to ensure that the edges of pavement do not create situations that could be hazardous to pedestrians or impede drainage.

- Two inch grind and overlay (on various streets throughout Town) - \$500,000
- Maintenance Dig-outs (on various streets throughout Town) - \$175,000
- Cape Seal/Slurry Seal (on various streets throughout Town) - \$200,000



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Special Parcel Tax	\$465,000	\$315,000	\$235,000	\$0	\$0	\$1,015,000
Measure A	\$100,000	\$220,000	\$220,000	\$250,000	\$250,000	\$1,040,000
Gas Tax	\$150,000	\$100,000	\$75,000	\$50,000	\$50,000	\$425,000
Measure M	\$60,000	\$60,000	\$60,000	\$75,000	\$75,000	\$330,000
Measure W	\$100,000	\$130,000	\$145,000	\$115,000	\$115,000	\$605,000
Totals	\$875,000	\$825,000	\$735,000	\$490,000	\$490,000	\$3,415,000



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Streets & Transportation
Project Type: Streets and Transportation
Project Name: Neighborhood Traffic Management Program - #56078

Project Description: This is a new program in support of the Neighborhood Traffic Management Program (NTMP). The NTMP is designed to respond to concerns regarding increasing traffic volumes and vehicular speeds in residential neighborhoods. The NTMP is presently making its way through the Transportation Committee and will be presented to the City Council for adoption as a blueprint for addressing neighborhood traffic concerns.

The NTMP provides a framework for the selection, application, and implementation of traffic calming improvement measures in the Town of Atherton. The NTMP provides a systematic framework for handling neighborhood traffic requests to ensure equitable and effective solutions. The NTMP represents the Town of Atherton's commitment to enhance the safety and livability of residential neighborhoods.

This program provides funding for improvements on neighborhood streets that meet program qualifying criteria and have demonstrated support of affected residences under the proposed policy document.

The Town is in the process of developing its Neighborhood Traffic Management Action Plan. This program will provide funding to initiate implementation of traffic calming pilot projects identified through the Plan.





Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Measure A	\$160,000	\$80,000	\$40,000	\$10,000	\$10,000	\$300,000
Totals	\$160,000	\$80,000	\$40,000	\$10,000	\$10,000	\$300,000



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Drainage

Project Name: Drainage Improvements Program - #56034

Project Description: In FY 2013-14, the City Council approved an update the Town's Drainage Master Plan. The Master Plan identified Tier 1 projects, those with the highest need based on improving safety, reducing flooding and mitigating environmental degradation as all being in the upper reach of the Atherton Channel.



Projects that are identified as the Town's responsibility will be assessed for deficiencies.

Funding in the first year of the CIP is proposed for engineering and surveying to identify areas of responsibility, followed by design of high-priority improvements and required environmental permitting. This process typically takes a year or more to complete. Future years include funding for project construction but are merely placeholder amounts for fiscal planning.

This program also includes the development and implementation of a Green Infrastructure Plan as required by the Municipal Regional Stormwater Permit issued by the Regional Water Quality Control Board.

Funding for the following improvements is estimated at:

- Bayfront Canal/Atherton Channel Flood Protection and Ecosystem Restoration Project
\$1,350,000
- Green Infrastructure Plan Implementation – estimate \$150,000
- Projects Not Budgeted but Planned for Future Years
 - Task 1C: Replacement of failed culverts; Euclid, Polhemus, Camino al Lago, Stockbridge and Carolina, Serrano, and Shearer intersection regrades, install new swales and berms. - estimate \$1,500,000
 - Task 2: Relining side slopes and bottom of Atherton Channel upstream of Alameda de las Pulgas. – estimate \$2,310,000



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Special Parcel Tax	\$90,000					\$90,000
Atherton Channel	\$60,000	\$50,000	\$50,000	\$50,000	\$50,000	\$260,000
Capital Improvement Projects	\$1,350,000					\$1,350,000
Totals	\$1,500,000	\$50,000	\$50,000	\$50,000	\$50,000	\$1,700,000



Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

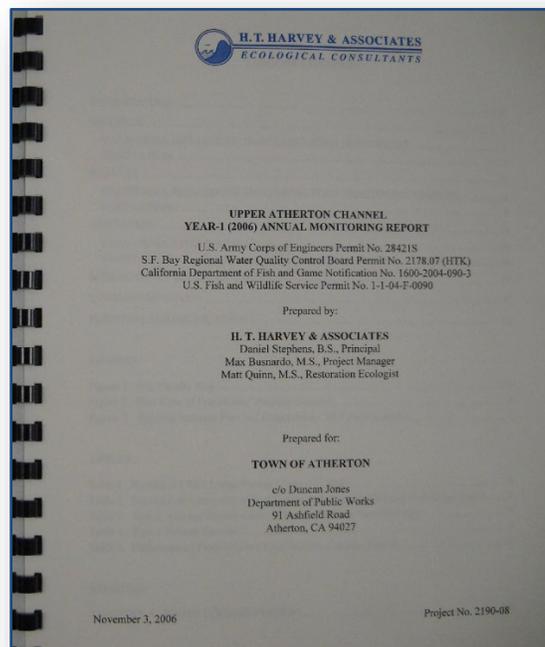
Project Type: Drainage

Project Name: Upper Atherton Channel Monitoring - #56037

Project Description: The Upper Atherton Channel Phase 2 project was completed in December 2011. As part of the permit requirements, a 10-year monitoring period was required to assess the health and habitat for the red-legged frog population and plants installed to provide an adequate frog habitat. The completion of the Belbrook Culvert Repair and Slope Stabilization project required a 5-year monitoring period for plant establishment. It is anticipated that additional monitoring will be required as the Atherton Channel and associated drainage is improved.

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Atherton Channel	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Totals	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000





Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Town Buildings, Park and Facilities

Project Name: Accessibility Improvements Program - #56060

Project Description: Title 28 of the Code of Federal Regulations (CFR) Part 35.150 requires public entities to make each of its existing facilities accessible to and usable by individuals with disabilities. The Town performs a required annual evaluation of facilities to identify areas that need to be improved.

The Accessibility Improvements Program provides funding to design and implement improvements necessary to correct deficiencies identified as part of the evaluation process. Sample improvements may include projects such as installation of new ADA compliant sidewalk ramps and access improvements to and within Town owned and operated facilities.

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Capital Improvement Projects	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Totals	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000





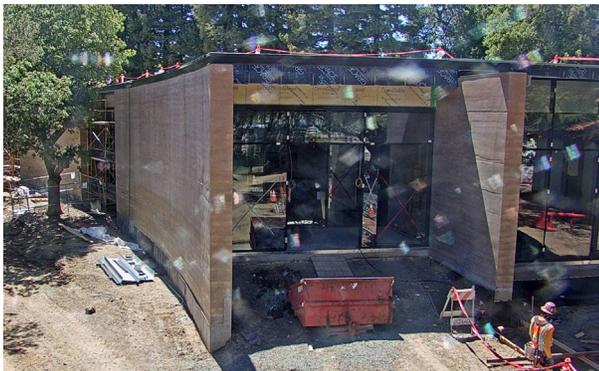
Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Town Buildings, Park and Facilities
Project Name: Atherton Library - #57001

Project Description: The Civic Center Master Plan includes the planning, design, and construction of an approximately 10,200 square foot new library on the Civic Center site. The construction contract for the project has been and construction began in September 2019.

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Atherton Library	\$4,135,000	\$0	\$0	\$0	\$0	\$4,135,000
Totals	\$4,135,000	\$0	\$0	\$0	\$0	\$4,135,000





Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Town Buildings, Park and Facilities

Project Name: Civic Center Master Plan Implementation Program - #54015

Project Description: City Council selected WRNS Studio LLP to design a new Civic Center consisting of Administration, Police, and Community Services, a Library, Town Green, site improvements and improved circulation. The primary Civic Center Project is funded by Donations and Building Capital Funds. Funding from the Capital Improvements Fund is for identified projects not a part of the primary Project to include the SFPUC water line and improvements to the corporation yard. The construction contract for the project has been awarded and construction began in September 2019.

This program also includes the improvement of the former Atherton Train Station building and grounds for integration into the new Civic Center.

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Building Capital	\$3,900,000	\$0	\$0	\$0	\$0	\$3,900,000
Capital Improvement Projects	\$150,000	\$250,000	\$0	\$0	\$0	\$400,000
Totals	\$4,050,000	\$0	\$0	\$0	\$0	\$4,300,000





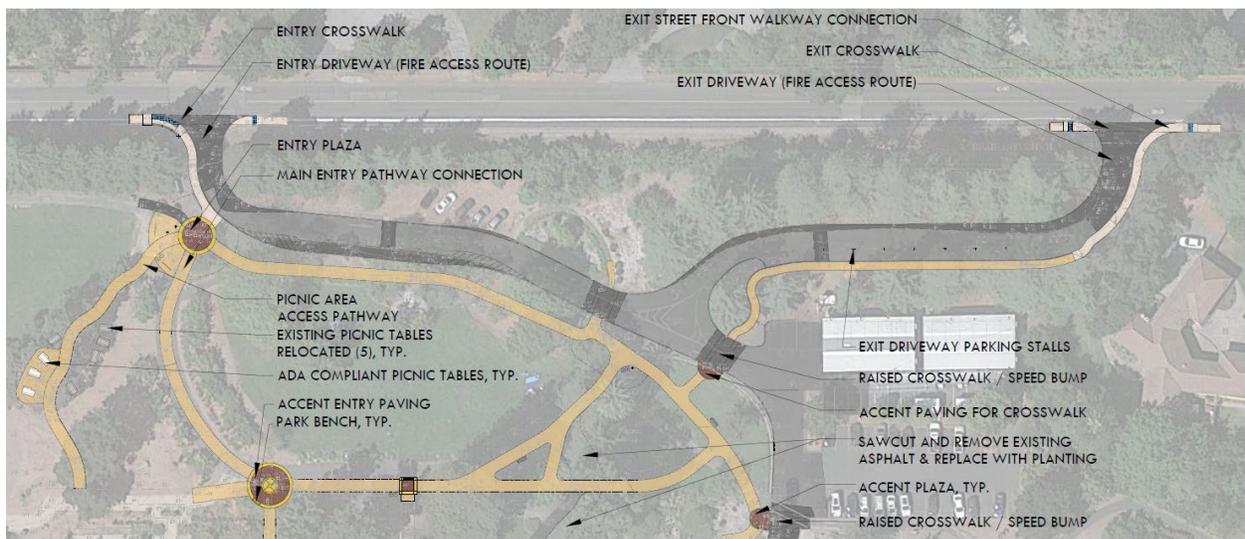
Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Project Type: Town Buildings, Park and Facilities

Project Name: Park Master Plan Implementation Program - #56063

Project Description: The Holbrook-Palmer Park Improvements Program is designed to implement a number of the proposed projects from the 2015 Park Facilities Master plan update, as recommended by the Park and Recreation Committee and approved by the Atherton City Council. The Park Master plan improvements, which began in FY 2015-16, has the following projects as priorities in the five-year outlook:

- Park Circulation and Pedestrian Circulation improvements – Construct the Park entrance including the entry and exit driveways, pedestrian entry and exit pathways, Main House loop, DG pathways, focal point plaza spaces, and crosswalks. (FY 2021-22) estimate \$1,050,000
- Fencing Improvements along Watkins Avenue (FY 2022-23) – estimate \$200,000
- Parking Lot Repairs and Seal Coat – (FY 2022-23) – estimate \$350,000
- Projects Planned but not budgeted for Future Years
 - Create accessible seating along edge of lawn, provide compacted aggregate pad under picnic tables and purchase new site furnishing and signage for the park – estimate \$60,000
 - Amphitheater Construction – estimate \$150,000





Capital Improvement Program Fiscal Years 2021/22 through 2025/2026

Funding Plan and Project Costs

Funding Source	21/22	22/23	23/24	24/25	25/26	Totals
Capital Improvement Projects	\$1,050,000	\$550,000	\$0	\$0	\$0	\$1,600,000
Totals	\$1,050,000	\$550,000	\$0	\$0	\$0	\$1,600,000



TOWN OF ATHERTON - POST PARCEL TAX
 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 FISCAL YEARS ENDING JUNE 30, 2022 TO 2026

Account	Fund Name	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026	Five Year Total
SPECIAL PARCEL TAX - FUND 201							
	BEGINNING FUND BALANCE	\$ 1,104,622	\$ 549,622	\$ 234,622	\$ (378)	\$ (378)	
Revenue							
201-00-40003-000	Special Tax						\$
201-00-48001-000	Interest Income						\$
201-00-45020-000	Other Reimbursements- MTC Middlefield OakGrove Grant						\$
201-50-58001-000	Transfer to General Fund						\$
							\$
	TOTAL REVENUE - FUND 201	\$	\$	\$	\$	\$	\$
Expenditures							
201-50-56003-000	Road Maintenance Program	\$ 465,000	\$ 315,000	\$ 235,000			\$ 1,015,000
201-50-56034-000	Drainage Improvements Original Budget	\$ 90,000					\$ 90,000
	TOTAL EXPENDITURES - FUND 201	\$ 555,000	\$ 315,000	\$ 235,000	\$	\$	\$ 1,105,000
SPECIAL PARCEL TAX - FUND 201							
	ENDING FUND BALANCE	\$ 549,622	\$ 234,622	\$ (378)	\$ (378)	\$ (378)	
MEASURE A - FUND 202							
	BEGINNING FUND BALANCE	\$ 606,387	\$ 651,387	\$ 656,387	\$ 701,387	\$ 746,387	
Revenue							
202-00-41003-050	Transportation Co Measure A Sales Tax	\$ 370,000	\$ 370,000	\$ 370,000	\$ 370,000	\$ 370,000	\$ 1,850,000
							\$
202-00-48001-050	Interest Income						\$
							\$
	TOTAL REVENUE - FUND 202	\$ 370,000	\$ 370,000	\$ 370,000	\$ 370,000	\$ 370,000	\$ 1,850,000
Expenditures							
202-50-52001-000	Annual Financial Audit (Measure A)						\$
202-50-54025-000	Congestion Relief (C/CAG) Fee						\$
202-50-56003-000	Road Maintenance Program- Street Overlay	\$ 100,000	\$ 220,000	\$ 220,000	\$ 250,000	\$ 250,000	\$ 1,040,000
202-50-56059-000	Bike & Pedestrian Improvement Program	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
202-50-56064-000	Traffic Safety Improvement Program	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
202-50-56070-000	Traffic Control Devices Program	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 75,000
202-50-56076-000	Belbrook Way Culvert Repair						\$
202-50-56078-000	Neighborhood Traffic Management Program	\$ 160,000	\$ 80,000	\$ 40,000	\$ 10,000	\$ 10,000	\$ 300,000
	TOTAL EXPENDITURES - FUND 202	\$ 325,000	\$ 365,000	\$ 325,000	\$ 325,000	\$ 325,000	\$ 1,665,000
MEASURE A - FUND 202							
	ENDING FUND BALANCE	\$ 651,387	\$ 656,387	\$ 701,387	\$ 746,387	\$ 791,387	



TOWN OF ATHERTON - POST PARCEL TAX
 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 FISCAL YEARS ENDING JUNE 30, 2022 TO 2026

Account	Fund Name	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026	Five Year Total
GAS TAX - FUND 203							
	BEGINNING FUND BALANCE	\$ 96,918	\$ 122,379	\$ 59,975	\$ 22,571	\$ 10,167	
Revenue							
203-00-45001-050	Gas Tax - 2105 estimate of FY 19-20 Covid-19 revenue	\$ 325,461	\$ 187,596	\$ 187,596	\$ 187,596	\$ 187,596	\$ 1,075,845
	TOTAL REVENUE - FUND 203	\$ 325,461	\$ 187,596	\$ 187,596	\$ 187,596	\$ 187,596	\$ 1,075,845
Expenditures							
203-50-52001-000	State Controller Street Report Preparation Fee						\$
203-50-54026-000	C/CAG Gas Tax Fee						\$
203-50-56003-000	Road Maintenace Program	\$ 150,000	\$ 100,000	\$ 75,000	\$ 50,000	\$ 50,000	\$ 425,000
203-50-56058-000	Drainage Program						\$
203-50-56999-000	Engineering/Staff Costs (estimate)	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 140,000	\$ 740,000
	TOTAL EXPENDITURES - FUND 203	\$ 300,000	\$ 250,000	\$ 225,000	\$ 200,000	\$ 190,000	\$ 1,165,000
GAS TAX - FUND 203							
	ENDING FUND BALANCE	\$ 122,379	\$ 59,975	\$ 22,571	\$ 10,167	\$ 7,763	
COUNTY MEASURE M- FUND 204							
	BEGINNING FUND BALANCE	\$ 144,482	\$ 144,482	\$ 144,482	\$ 144,482	\$ 144,482	
Revenue							
204-00-45025-050	SMC Vehicle Registration Fee	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 375,000
204-00-48001-050	Interest Income						
	TOTAL REVENUE - FUND 204	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 375,000
Expenditures							
204-50-56003-000	Road Maintenance Program	\$ 60,000	\$ 60,000	\$ 60,000	\$ 75,000	\$ 75,000	\$ 330,000
204-50-56064-000	Traffic Safety	\$ 15,000	\$ 15,000	\$ 15,000			\$ 45,000
	TOTAL EXPENDITURES - FUND 204	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 375,000
COUNTY MEASURE M- FUND 204							
	ENDING FUND BALANCE	\$ 144,482	\$ 144,482	\$ 144,482	\$ 144,482	\$ 144,482	



TOWN OF ATHERTON - POST PARCEL TAX
 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 FISCAL YEARS ENDING JUNE 30, 2022 TO 2026

Account	Fund Name	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026	Five Year Total
COUNTY MEASURE W- FUND 205							
	BEGINNING FUND BALANCE	\$ 194,062	\$ 239,062	\$ 254,062	\$ 254,062	\$ 284,062	
Revenue							
205-00-45030-000	Measure W County half cent Sale Tax Congestion Relief Tax	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 725,000
	TOTAL REVENUE - FUND 205	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 725,000
Expenditures							
205-50-56003-000	Road Maintenance	\$ 100,000	\$ 130,000	\$ 145,000	\$ 115,000	\$ 115,000	\$ 605,000
205-50-56060-000	Accessibility Improvement Program						\$
205-50-56064-000	Traffic Safety						\$
	TOTAL EXPENDITURES - FUND 205	\$ 100,000	\$ 130,000	\$ 145,000	\$ 115,000	\$ 115,000	\$ 605,000
COUNTY MEASURE W- FUND 205							
	ENDING FUND BALANCE	\$ 239,062	\$ 254,062	\$ 254,062	\$ 284,062	\$ 314,062	
CAPITAL IMPROVEMENT PROJECTS - FUND 401							
	BEGINNING FUND BALANCE	\$ 1,235,360	\$ 175,360	\$ 100,360	\$ 90,360	\$ 80,360	
Revenue							
	CalTrain revenue Grant	\$ 150,000	\$ 250,000				\$ 400,000
401-00-49001-000	Transfer In from General Fund						\$
401-00-49001-000	Transfer In from General Fund (Bayfront Canal)	\$ 1,350,000					\$ 1,350,000
	CalTrans Reimbursement Water Capture Facility						\$
	Santa Clara County/Stanford Grant		\$ 300,000				\$ 300,000
	State Parks Revenue Grant		\$ 185,000				\$ 185,000
	TOTAL REVENUE - FUND 204	\$ 1,500,000	\$ 735,000	\$	\$	\$	\$ 2,235,000
Expenditures							
401-00-58003-000	Transfer to Constuction Facilities						\$
401-50-52001-000	Annual Financial Audit						\$
401-50-54015-000	Civic Center						\$
401-50-56055-000	Town Center Facilities Plan and Repairs						\$
401-50-56063-000	Park Master Plan	\$ 1,050,000	\$ 550,000				\$ 1,600,000
	Atherton Station Improvements	\$ 150,000	\$ 250,000				\$ 400,000
401-50-56090-000	BayFront Canal Project	\$ 1,350,000					\$ 1,350,000
401-50-56060-000	Accessibility Improvement Program	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
401-50-56080-000	Green Infrastructure Plan-	\$	\$	\$			\$
	TOTAL EXPENDITURES - FUND 401	\$ 2,560,000	\$ 810,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 3,400,000
CAPITAL IMPROVEMENT PROJECTS - FUND 401							
	ENDING FUND BALANCE	\$ 175,360	\$ 100,360	\$ 90,360	\$ 80,360	\$ 70,360	



TOWN OF ATHERTON - POST PARCEL TAX
 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 FISCAL YEARS ENDING JUNE 30, 2022 TO 2026

Account	Fund Name	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026	Five Year Total
ATHERTON CHANNEL- FUND 403							
	BEGINNING FUND BALANCE	\$ 480,128	\$ 507,428	\$ 544,728	\$ 582,028	\$ 619,328	
Revenue							
403-00-40001-050	Secured Property Tax	\$ 83,000	\$ 83,000	\$ 83,000	\$ 83,000	\$ 83,000	\$ 415,000
403-00-40002-050	Unsecured Property Tax	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 20,000
403-00-40004-050	SB 813 Redemption-supplemental	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 7,500
403-00-40005-050	Home Owners Exemption	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 1,000
403-00-40008-050	ERAF Subvention	\$ 7,400	\$ 7,400	\$ 7,400	\$ 7,400	\$ 7,400	\$ 37,000
403-00-48001-050	Interest Income	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 6,000
							\$
	TOTAL REVENUE - FUND 403	\$ 97,300	\$ 97,300	\$ 97,300	\$ 97,300	\$ 97,300	\$ 486,500
Expenditures							
403-50-52001-000	State Controller Drainage District Report Prep. F						\$
403-50-54029-000	County Tax Admin Cost						\$
403-50-56037-000	Upper Channel Repair Monitoring Phase 1	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
403-50-56037-000	Upper Channel Phase 2						\$
403-50-56034-000	Drainage Project Other						\$
403-50-56077-000	Drainage Improvements	\$ 60,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 260,000
403-50-56080-000	Green Infrastructure Plan						\$
	TOTAL EXPENDITURES - FUND 403	\$ 70,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 310,000
ATHERTON CHANNEL- FUND 403							
	ENDING FUND BALANCE	\$ 507,428	\$ 544,728	\$ 582,028	\$ 619,328	\$ 656,628	
FACILITIES CONSTRUCTION - FUND 406							
	BEGINNING FUND BALANCE	\$ 1	\$ 0	\$ 0			
Revenue							
406-00-48001-000	Interest Income						\$
406-00-48501-000	Civic Center Contributions/Donations						\$
406-00-49011-000	Capital Improvement - Library Contributions	\$ 4,135,000					\$ 4,135,000
406-00-49012-000	Capital Improvement - General Fund Contribution	\$ 3,900,000					\$ 3,900,000
	TOTAL REVENUE - FUND 406	\$ 8,035,000	\$	\$			\$ 8,035,000
Expenditures							
406-25-54015-025	Civic Center	\$ 3,900,000					\$ 3,900,000
406-30-57001-406	Building Construction - Facility Fund						\$
406-30-57001-213	Building Construction - Library Fund	\$ 4,135,000					\$ 4,135,000
406-30-57001-101	Civic Center FF&E						
403-30-57021-213	Library Construction Project						
	TOTAL EXPENDITURES - FUND 406	\$ 8,035,000	\$	\$			\$ 8,035,000
FACILITIES CONSTRUCTION - FUND 406							
	ENDING FUND BALANCE	\$ 0	\$ 0	\$ 0	\$	\$	

Town of Atherton

Capital Improvement Program

FY 2021/22 -2025/26

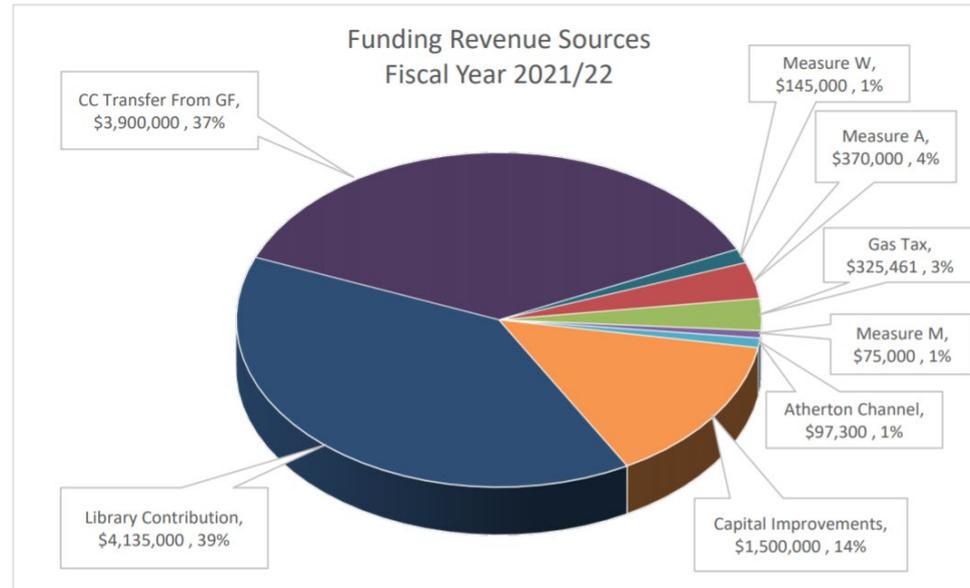


Overview

- The Town's 5-Year CIP identifies: Project Construction, Improvement & Maintenance Needs
- The CIP is a Budget Planning Tool that identifies anticipated capital improvements and funding sources over the next 5 years
- Needs are based on existing Master Plans and Council Priorities – Master Plans include:
 - Drainage Master Plan
 - Civic Center Master Plan
 - Pavement Management Program
 - Bicycle and Pedestrian Master Plan
 - Holbrook Palmer Park Master Plan
- The CIP does not appropriate funding
- Funding is only appropriated for current fiscal year as part of Annual Budget Adoption Process

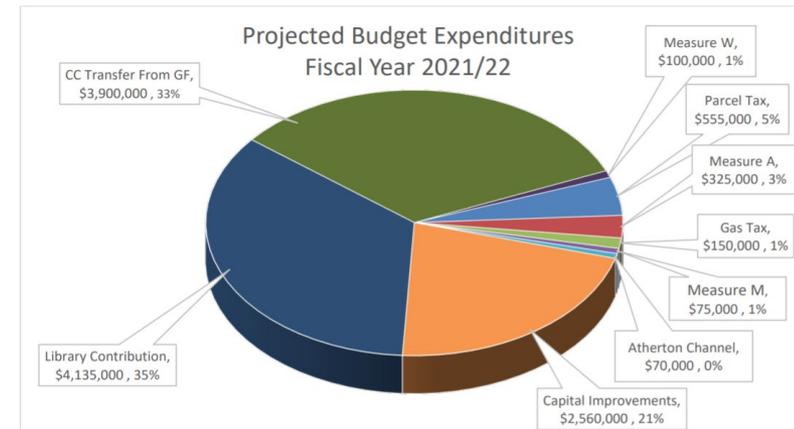
Proposed FY 2021/22 CIP

- The funding sources for the CIP total approximately \$ 10.55 million.
- Funding and Revenue sources include:
 - General Fund
 - Special Parcel Tax
 - Measure A
 - Measure M
 - Measure W
 - Gas Tax
 - Atherton Library
 - Donations
 - Atherton Channel Fund



Proposed FY 2021/22 CIP

- The CIP recommends new appropriations of approximately \$11.87 million including approximately \$555,000 in Special Parcel Tax Funds and Capital Improvement Fund balance
- Project/Programs Categorized in 3 Primary Areas
 - Streets & Transportation
 - Drainage
 - Town Buildings, Parks & Facilities
- Most significant expenditures are:
 - Civic Center - \$3.9 Million
 - Library - \$4.1 Million
 - Drainage projects - \$1.5 Million
 - Park Master Plan - \$1.05 Million
 - Road Maintenance - \$0.88 Million



Civic Center and Library

- Construction of the Civic Center and Library began in 2019.
- Construction of the Civic Center and Library are anticipated to be completed by the end of the year.



Roadway Improvements



Projects recommended for FY 21/22 were informed by:

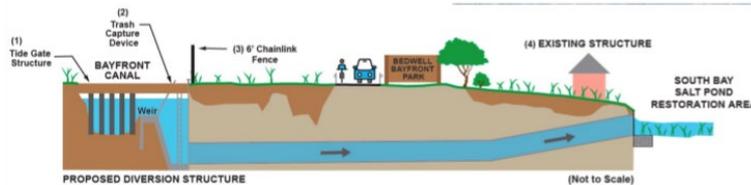
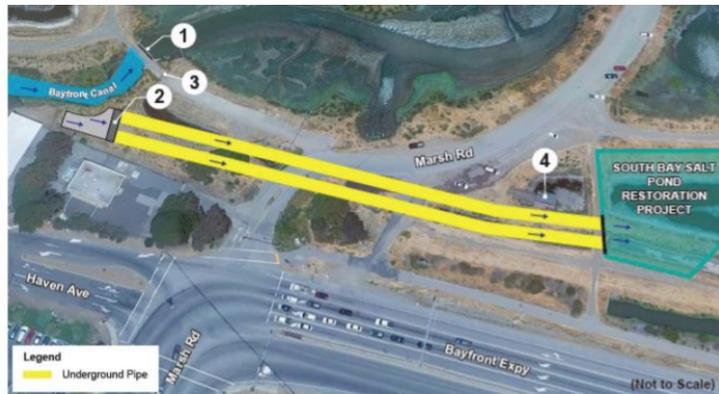
- Pavement Condition Index (PCI) Assessment
- Field Observations
- Concerns raised by residents

The projects recommended for this fiscal year include:

- 1) Two-inch grind and overlay on various streets throughout Town.
- 2) Dig-outs through out the Town to improve rideability and prevent sub-base failure.
- 3) Slurry Seal – these roads will be identified based on critical point need to perpetuate the life of the pavement (PCI and Field Observations).

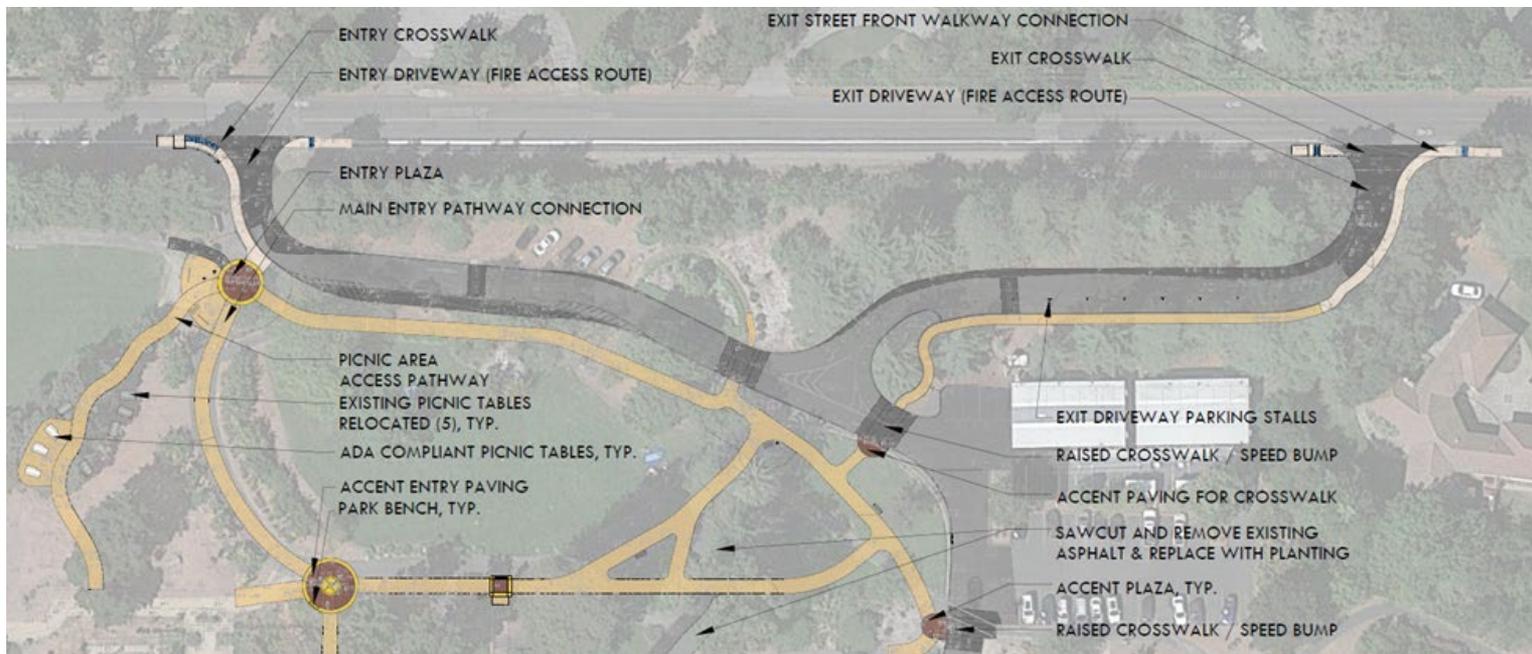
Drainage Improvements

- Bayfront Canal/Atherton Channel Flood Protection and Ecosystem Restoration Project
- Green Infrastructure Plan Implementation



Park Improvements Program

- Park Access and Circulation Improvements – FY 2021/22
- Parking Lot Repairs and Seal Coat – FY 2022/23
- Fencing Improvements along Watkins Avenue – FY 2022/23



Q&A and Policy Focus

- Staff requests feedback on the following Policy Areas:
 - ❖ Neighborhood Traffic Management Action Plan



- ❖ Civic Center Master Plan – Atherton Station Building Integration

