



Item No. 6 Town of Atherton

CITY COUNCIL STAFF REPORT – CONSENT AGENDA

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

FROM: ROBERT BARRON III, FINANCE DIRECTOR

DATE: FEBRUARY 16, 2022

**SUBJECT: ADOPT THE ATTACHED BUDGET AMENDMENT RESOLUTION FOR
THE FY 2021/22 BUDGET**

RECOMMENDATION

Adopt the attached Resolution authorizing a Budget Amendment for the FY 2021/22 Budget.

BACKGROUND

Staff presented the Mid-Year budget review for the General Fund FY 2021/22 at its February 2, 2022 Study Session. Staff noted that The FY 2021/22 Budget reflects the Town's positive financial outlook while maintaining City Council priorities. As the Town nears the completion of Town Center Project, the budget continues to weather the short- and longer-term impacts of COVID-19. City Council priorities continue to be a focus on reducing long-term liabilities, addressing capital project needs, and ensuring that operational needs are met.

The Council discussed revenue and expenditure summaries across all departments. Staff advised that there was a need for a budget amendment to address are three areas that necessitate an adjustment for one-time expense increases and contract revenue adjustments. Overall operating expenditures are within budget expectations while maintaining established operational priorities.

FINDINGS | ANALYSIS

During the Study Session staff presented a necessary budget adjustment of \$62,150 in the building department for the building service contract expense. There is also a need for a budget adjustment of \$8,000 in the administration department for San Mateo County requirement of district map boundaries and GIS Shapefiles. As well as budget adjustment of \$14,000 for Town website refresh, design guidelines, and layout updates, as well an increase of \$26,400 expenditure budget for rental of administrative, community development and PD restroom trailers due to delay in relocation to 80 Fair Oaks Lane. The total budget adjustment required and included on the attached resolution is \$110,550.

POLICY FOCUS

The Mid-Year Budget Report is an opportunity to make adjustments and operations corrections based on unanticipated changes and the goals and priorities of the City Council. If there are projects or priorities that the Council wishes to address at mid-year, this is the opportunity to do so. The Mid-Year Budget Report encompasses all changes to the budget thus far in the Fiscal Year. Staff is presenting a Budget Amendment Resolution for adoption to reflect the noted adjustments.

FISCAL IMPACT

The overall fiscal impact to the General Fund due to Mid-Year adjustments is a General Fund expenditure increase of \$110,550 (0.66%) against a General Fund (plus ERAF) revenue increase of \$2,105,599 (11.4%).

GOAL ALIGNMENT

Goal A- Maintain Fiscal Responsibility

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.

ATTACHMENT

Resolution of the City Council of the Town of Atherton Approving Mid-Year FY 2021/22 Budget Adjustment

RESOLUTION NO. 22-xx

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF
ATHERTON APPROVING MID-YEAR BUDGET AMENDMENT
FOR FY 2021/22**

WHEREAS, the City Council supports the proposal of the Mid-Year Budget review; and

WHEREAS, to account for increase in Building department expense, a \$62,150 corresponding adjustment in expenditures is necessary for Building Services contract expense; and

WHEREAS, to account for increase in Administration department expense, a \$8,000 corresponding adjustment in expenditures is necessary for Other Contract Services expense; and

WHEREAS, to account for increase in Inter-Departmental expense, a \$14,000 corresponding adjustment in expenditures is necessary for Other Contract Services expense; and

WHEREAS, to account for increase in Inter-Departmental expense, a \$26,400 corresponding adjustment in expenditures is necessary for Other Rent & Lease expense; and

WHEREAS, in review of the General Fund at Mid-Year for Fiscal Year 2021-2022, these adjustments are to be made to the Operating Budget as set forth in Exhibit A, attached hereto and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the Town of Atherton does hereby approve an amendment to the FY 2020-21 Town Budget to enact the changes identified on Exhibit A attached hereto.

PASSED AND ADOPTED at a meeting of the City Council of the Town of Atherton held on the 16th day of February 2022 by the following vote:

AYES: Council members:
NOES: Council members:
ABSENT: Council members:

Rick DeGolia, MAYOR
Town of Atherton

ATTEST:

ATTACHMENT 1

Anthony Suber, City Clerk

APPROVED AS TO FORM:

Mona Ebrahimi, City Attorney

EXHIBIT A

**Town of Atherton
Budget Amendment Request**

Transfer \$110,550 From:

2021/2022

Un-appropriated General Fund Balance

To:

2021/2022

101-25-52033-025 Contract Bldg. & Life Safety Services	\$62,150
101-12-54010-012 Other Contract Service	\$8,000
101-12-54010-012 Computer Equipment/Software	\$14,000
101-30-53035-035 Other Rent & Lease	<u>\$26,400</u>

Total Adjustment \$110,550