



Minutes
Town of Atherton
CITY COUNCIL DISTRICT
April 15, 2013
2:00 P.M.
Town Council Chambers
94 Ashfield Road
Atherton, California
Special Meeting

The Mayor called the meeting to order at 2:00 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL **Lewis, Carlson, Dobbie, Widmer, Wiest**

PUBLIC COMMENTS

REGULAR

- 1. **FISCAL YEAR 2013-14 BUDGET STUDY SESSION:****
- Report:** City Manager George Rodericks/ Finance Director Robert Barron III

City Manager Rodericks presented a broad overview of the Town's General Fund Operating Budget. Projections show a steady and stable increase in property tax revenues projected for Fiscal Year 13/14 at 3%. This is a conservative estimate. Building Department revenues show signs of increased activity. Franchise fees remain stable and services will increase slightly. Expenditure savings result from reduced employee costs netting approximately 4.5% as well as reduced required annual contributions toward other post-employment benefits (OPEB). By June 30, 2013, the Town will have paid off all CalPERS pension side fund obligations thereby reducing the required employer contributions.

Detailed discussion by department, to include departmental goals, and special fund presentations will be the subject of a future budget workshop to be scheduled in May. Staff went through general fund departmental projections in broad overview indicating reductions year-to-year as projected. In general, there were reductions in 7 of the 9 departmental budgets year-to-year. Two departmental budgets reflected preliminary increases – Planning and Police.

The Planning budget showed a projected increase of \$41,000 due to the need to update the Town's Housing Element. Council discussed the estimated expenditure increase for this item. Rodericks advised that the amount is a placeholder at this point as we fine-tune the needs and determine what data and data-resources can or cannot be used from prior year updates. A more specific number will be included in future discussions and for the actual budget adoption scheduled for June.

The Police Budget showed a projected increase of \$402,912. Rodericks noted that staffing levels in the Police Department run lean as the Town seeks to find a balance between necessary safety coverage, authorized positions, overtime, and the day-to-day realities of running a department whose primary focus is service delivery (i.e. vacations, sick days, court appearance, injuries, retirements, resignations, training, etc.). When the Department staffing level runs too close to minimum staffing, sick days, vacations, training, injuries, etc. will impact the Department overtime budget.

In addition, when there are long-term injuries, unanticipated absences, or other situations where the Department loses the employee for a long period of time but cannot legally fill the position with another, the Department is forced to again backfill with overtime. However, there are limitations that will be encountered even when using overtime, to include, but not limited to legally mandated periods of rest/break between shifts, maximum allowable overtime, and actual availability of officers.

Many departments will have an authorized position level and a staffing target. Rodericks provided an example: a department may have 30 authorized positions, the staffing target may be 27 or 90%. The additional positions allow the department to continuously recruit to fill unexpected vacancies but only filling as needed. The recruitment and placement process for a police officer – i.e. to get that new officer on the street - is approximately 7 to 9 months. In larger departments, officer vacancies will often not have a significant impact on minimum safety coverage because the pool of officers within the department is large enough to compensate through overtime. However, in smaller departments, such as Atherton's, the loss of four (4) sworn officers in a staff of nineteen (19) due to vacation, sick, injury, resignation or retirement is significant when the time to get a replacement is 7 to 9 months and the pool of officers that can fill in through overtime is limited when there are 3-4 sworn needed on shift or scheduled for the next shift. We quickly run out of personnel. The Council discussed these realities of staffing concerns within the Department. More discussion will occur at the next workshop.

Staff will return to the next workshop with a discussion of alternatives. The number proposed at the budget workshop (\$402,912) included the addition of two (2) officer vacancy positions (in addition to other budget items). The Council discussed the option of setting up a larger overtime budget in the short-term and revisiting the addition of two (2) officer positions January 1, 2014 following the possible parcel tax renewal election. Overall, even with the proposed increase in the Police Department budget, the initial draft general fund expenditure budget showed a net decrease of \$20,112 with all reserve policies being met.

ADJOURN MOTION by Carlson, second by Lewis to adjourn the meeting. The motion passed and Mayor Lewis adjourned the meeting at 11:06 p.m.

Respectfully submitted,

Theresa DellaSanta
