



AGENDA
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT
June 11, 2008
5:00 P.M.
Meeting Room
Town Administrative Offices
91 Ashfield Road
Atherton, California
Special Meeting

5:00 P.M. ROLL CALL J. Carlson, Marsala, Janz, McKeithen

5:02 P.M. PUBLIC COMMENTS

5:05 P.M. CLOSED SESSION

**CONFERENCE WITH LABOR NEGOTIATOR – Labor negotiations
pursuant to Government Code Section 54957.6**

**Agency Negotiator: Glenn Berkheimer, I.E.D.A.; Jerry Gruber, City
Manager
Current and Upcoming Labor Negotiations**

RECONVENE TO OPEN SESSION

Report of action taken.

ADJOURN

Agendas and staff reports may be accessed on the Town website at: www.ci.atherton.ca.us
☛ *Please contact the City Clerk's Office at 650.752.0500 with any questions.* Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the City Clerk at (650) 752-0500. Notification of 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting. (29 CRF 35.104 ADA Title II)



AGENDA
Town of Atherton
CITY COUNCIL STUDY SESSION
June 11, 2008
6:00 P.M.
Meeting Room
Town Administrative Offices
91 Ashfield Road
Atherton, California
Special Meeting

6:00 P.M. 1. **ROLL CALL** J. Carlson, Marsala, Janz, McKeithen

6:02 P.M. 2. **PUBLIC COMMENT**

STUDY SESSION

6:05 P.M. 3. **DISCUSSION AND REVIEW OF MASTER RESOLUTION
REGARDING COMMITTEES/COMMISSIONS**

7:00 P.M. 4. **ADJOURNMENT**

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Town of Atherton

CITY COUNCIL STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: MARC G. HYNES, CITY ATTORNEY

DATE: FOR THE CITY COUNCIL STUDY SESSION OF JUNE 11, 2008

SUBJECT: RESOLUTION GOVERNING COMMITTEES AND COMMISSIONS

RECOMMENDATION:

Review resolution (Exhibit "A") which is designed to govern all Town committees and commissions with the exception of the Planning Commission.

BACKGROUND:

Nine committees and one commission are described in this resolution. Their purpose is to assist the City Council in connection with matters affecting the Town. The committees and commission are described alphabetically in the attached resolution.

The Crime Prevention Committee, Heritage Committee, Emergency Preparedness Committee, and Tree Committee are not included in the resolution. The Atherton Channel Drainage District Committee will be terminated. At a subsequent meeting, the City Council will consider issues involving the Tree Committee and its recommendations for use of funds from civil penalties derived from prosecutions of the Heritage Tree Ordinance. Issues regarding the Emergency Preparedness Committee, including funding and the acquisition of equipment, will be addressed in a separate agreement being developed by the Town and the Menlo Park Fire Protection District.

The Arts Committee was created by Resolution No. 98-06. The General Plan Committee and Parks and Recreation Commission were created by ordinances codified in the Atherton Municipal Code Chapters 2.37 and 2.40, respectively. The Planning Commission is established and described in Chapter 2.36 of the Atherton Municipal Code. Because state planning law, Government Code section 65100 and following, requires that the Planning Commission must be established by ordinance, it is not included in this resolution. There is no similar requirement for establishment of the Park and Recreation Commission or the General Plan Committee.

Accordingly, these two may be removed from the Atherton Municipal Code and placed in the resolution.

Please note the last bullet in Section 2 regarding reports. An alternative way to address the issue of reports of activities may be handled as it is for the Parks and Recreation Commission in Section 4 (7)(b). An annual report was required from the Parks and Recreation Commission by Ordinance. That requirement has been carried into the Resolution. If the Council is satisfied with the language in Section 2 which would govern all committees and commissions requiring an annual report only upon request, then the Council could either delete the requirement in subsection (b) of paragraph 7 of section 4 or, alternatively this could simply stand as the ongoing request of the Council for a report for the commission. Also, the third bullet of Section 4 regarding regular reports concerning attendance could be supplemented with the activities report requirement.

I have received some recommended revisions to the Environmental Programs Committee's powers and duties. It is attached to this report as Exhibit "B".

Prepared By:

Approved By:

/s/ Marc Hynes

Marc Hynes
City Attorney

Jerome Gruber
City Manager

Attachments

RESOLUTION NO. 08-___

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
GOVERNING TOWN COMMITTEES AND COMMISSIONS**

WHEREAS, the City Council of the Town of Atherton desires that the most qualified residents of the Town serve on Town committees and commissions consistent with obtaining the broadest representation of the community;

Now, therefore, the City Council of the Town of Atherton hereby resolves as follows:

Section 1. Establishment of Committees. The following committees and commissions are established for the Town of Atherton:

1. Arts Committee
2. Atherton Rail Committee
3. Audit Committee
4. Environmental Programs Committee
5. Finance Committee
6. General Plan Committee
7. Park and Recreation Commission
8. Screening Committee
9. Town Center Committee
10. Transportation Committee

Section 2. Rules of Procedure – Staffing – Minutes - Reports.

- All committees and commissions shall follow the Rules of Procedure as adopted by and as amended by the City Council, and the provisions of the California Open Public Meeting Law (Brown Act).
- In the event a committee or commission is unable to appoint a Chair, the Mayor shall have the authority to appoint the Chair of such committee and commission.
- The City Manager shall have the authority to appoint any Town staff member(s) to serve Town committees and commissions.
- All committees and commissions shall prepare action minutes for the City Council. Draft minutes, that is, unapproved minutes, shall be presented to the City Council as soon as possible following the meeting they report.
- Members of committees and commissions are encouraged to advocate to the City Council their position on matters under the purview of their committee or commission. Otherwise, no committee or commission or any of its members shall represent itself or themselves as speaking on behalf of the Town, City Council, and/or committee or commission without prior approval of the City Council. Statements of previously approved City Council policy may be made without additional City Council approval.

- Committees and commissions may provide educational materials to the public regarding the functions and actions of the committee or commission, but shall not engage in advocating to the public any particular position which is contrary to City Council policy.
- Upon request, an annual report shall be provided to the City Council of committee and commission activities for the preceding year.

Section 3: **Appointment of Voting Members to Committees and Commissions.**

Members other than City Council Members shall be appointed following recommendation of the Screening Committee and approval by the City Council. All appointed members shall be registered voters in the Town. Members shall serve at the pleasure of the City Council, or until the expiration of their terms set out below. Vacancies in any committee or commission arising from any reason, including expiration of term, shall be filled by appointment of the City Council based upon recommendations of the Screening Committee.

Section 4. **Powers and Duties - Composition – Terms.**

The powers and duties, along with the composition and terms of the Town's committees and commissions shall be as described below:

- City Council representatives on committees are selected by the City Council to serve a one (1) year term.
- Appointed members shall serve no more than two full consecutive terms on the committee or commission to which they are appointed. A member may be reappointed to the committee or commission following a minimum two (2) year hiatus.
- An annual report shall be provided to the City Council of attendance at committee and commission meetings.
- Unexcused absences of members, other than City Councilmembers, from two or more consecutively scheduled meetings shall result in the automatic vacation of the member's office.
- In the event funding for the committees or commissions is desired, a budget shall be prepared and presented to the City Council for review and approval as part of the Town's regular budget process.
- Any requests by a committee or commission for staff work, information, or assistance from Town Staff shall be made to the City Manager.

1. Arts Committee.

The Arts Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in matters regarding art awareness including, without limitation, the following goals and objectives:
 - i. Fulfill the requirements of the Rita Corbett-Evans estate;
 - ii. Develop a unique arts program specific to the needs of Atherton and the surrounding community;
 - iii. Provide a base and focal point for arts programs in Atherton;
 - iv. Include a multi-disciplinary range of artistic endeavors

including fine, performing, and literary arts as well as crafts.

The Arts Committee shall have the following composition and terms:

Consists of up to ten (10) appointed members. The term of office shall be as follows: Five (5) of the members shall be appointed to a four (4) year term commencing 2008 and ending on April 30, 2012. The remaining members' terms shall be three (3) years commencing 2008 and ending on April 30, 2011. Thereafter, each term of office shall be four (4) years. The Committee meets on the 4th Tuesday of each month at 1:00 p.m. in the Holbrook-Palmer Park Garden Room unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair.

2. Atherton Rail Committee.

The Atherton Rail Committee shall have the following powers and duties:

- a. Act in an advisory capacity to the City Council upon request in all matters pertaining to rail service in and through the Town;
- b. Research and address the specific impacts that high-speed rail and other rail improvements may have on the Town.

The Atherton Rail Committee shall have the following composition and terms:

Consists of up to twelve (12) members including two (2) Council Members and up to ten (10) appointed members. The term of office for appointed members shall be a four (4) year term commencing 2007 and ending on April 30, 2011. Thereafter, each term of office shall be four (4) years. The committee meets on the first Tuesday of every other month at 6:00 p.m. in the City Council Chambers unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair. In addition to other members, persons appointed to the Atherton Rail Committee may be appointed to represent and further the interests of Atherton homeowners and particularly those with properties on and along the Caltrain right-of-way. This declaration is made with specific recognition of the provisions of 2 California Code of Regulations Section 18707.4.

3. Audit Committee.

The Audit Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to the Town's annual audit;
- b. Provide oversight of the annual audit and present and explain the audit to the City Council with recommendations as to acceptance.;
- c. Advise City Council regarding appointment of outside auditors for annual audit;
- d. Review proposed audit scope with outside auditors prior to commencement of annual audit.

The Audit Committee shall have the following composition and terms:

Consists of five (5) members, including two (2) Council Members of the Finance Committee, and three (3) appointed members. The term of office for all appointed members shall end on April 30, 2008. Thereafter, one term shall be for two (2) years

ending in April, 2010. The remaining terms shall be for four (4) years ending in April, 2012. Thereafter, the term of office shall be four (4) years. The committee meets as needed in the Conference Room of the Town Administrative Offices.

4. Environmental Programs Committee.

The Environmental Programs Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to the Town environment, including without limitation, advising the City Council on matters such as:
 - i. Actions required by federal, state or county environmental legislation appropriate to achieve ;
 - ii. Global warming and CO2 Emissions
 - iii. Green Buildings
 - iv. Earth Day events
 - v. ABAG/PG&E Energy Watch Partnership
 - vi. E-Waste Collection Day
 - vii. Mayors Agreement on Climatic Change
 - viii. Energy Awards for Homeowners
 - ix. Energy Consumption Reduction in public facilities.
 - x. Conservation programs in the Town and schools.

The Environmental Programs Committee shall have the following composition and terms:

Consists of up to twelve (12) members including two (2) Council Members and ten (10) residents of the Town. The term of office shall be as follows: Five (5) of the appointed members shall be appointed to a two-year term commencing 2007 and ending April 30, 2009. The remaining members' terms shall be four (4) years commencing 2007 and ending April 30, 2011. Thereafter, each term of office shall be four (4) years. The committee meets quarterly on the first Wednesday of the month at 10:00 a.m. in the Conference Room of the Town Administrative Offices unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair.

5. Finance Committee.

The Finance Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to Town finances;
- b. Consult with the City Manager on matters pertaining to the budget, capital spending plan and the long range financial plan for the Town;

The Finance Committee shall have the following composition and terms:

Consists of two (2) Council Members. The Members also serve on the Audit Committee. The committee meets on an as needed basis in the Conference Room of the Town Administrative Offices.

6. General Plan Committee.

The General Plan Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to Town planning;
- b. Review the General Plan and make recommendations to the City Council, Planning Commission and Town staff regarding the operation of the ordinances and policies on the subject of Town planning.

The General Plan Committee shall have the following powers and duties:

Consists of two (2) Council Members, two (2) Planning Commissioners and up to five (5) appointed members. The term of office shall be four (4) years. Planning Commission representatives are selected by the Planning Commission to serve for a term of one (1) year. The committee meets quarterly or more frequently if required on the first Wednesday of the month at 6:00 p.m. in the Town Council Chambers unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair.

7. Park and Recreation Commission.

The Park and Recreation Commission shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to parks and public recreation and to cooperate with other governmental agencies and public and private groups in the advancement of park and recreation planning and programming;
- b. Develop and maintain a master plan for parks within the Town and, annually, in the month of April, present a report to the City Council.
- c. Review the annual budget for parks and recreation during the process of its preparation and make recommendations with respect thereto to the City Council. This includes recommendations regarding the setting of fees. The budget should contain estimates and recommendations for such long-term capital outlay projects as may be necessary to provide for orderly development of park and recreation areas, buildings and facilities;
- d. Study and make recommendations on the acquisition and development of recreation areas, activities and facilities such as playgrounds, buildings, parks, open space and other centers of recreation;
- e. Assist Town staff in the planning of recreation programs for the community, and promote and stimulate public interest therein.

The Park and Recreation Commission shall have the following composition and terms:

Consists of seven (7) appointed members. One member shall be a representative of the Holbrook-Palmer Park Foundation. One member shall be a representative of the Atherton Dames. Each of the foregoing representatives shall serve a term of two (2) years. The term of office for the two (2) members ending April 30, 2008 shall be four (4) years. The term of office for the remaining members shall be four (4) years. Thereafter, each term of office shall be four (4) years. The Park and Recreation Commission meets on the first Wednesday of each month at

6:30 p.m. in Holbrook-Palmer Park unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair.

8. Screening Committee.

The Screening Committee shall have the following powers and duties:

- a. Interview all applicants for the Planning Commission and committees and commissions as described in Section 1 of this Resolution and make recommendations for appointment(s) to the City Council.

The Screening Committee shall have the following composition and terms:
Consists of two (2) Council Members appointed on a rotational basis so that each member shall serve on the committee before any member serves for a second time. The committee meets on an as needed basis in the Conference Room of the Town Administrative Offices.

9. The Town Center Committee.

The Town Center Committee, an ad hoc committee, shall have the following powers and duties:

- a. Assist the City Council in developing a vision and goals for the Town Center which includes facilities for City Council chambers, Police, Administration, Building, Public Works, Planning and Library functions;
- b. Upon approval of the City Council, the committee may engage Town residents and outside professional services to aid in the visioning process;
- c. Upon approval of the City Council assist in obtaining funds for Town Center improvements.

The Town Center Committee, an ad hoc committee, shall have the following Composition and terms:

Consists of two (2) Council Members. The committee meets on an as needed basis in the Conference Room of the Town Administrative Offices.

10. Transportation Committee.

The Transportation Committee shall have the following powers and duties:

- a. Act in an advisory capacity and make recommendations to the City Council upon request in all matters pertaining to transportation within the Town.

The Transportation Committee shall have the following composition and terms:
Consists of five (5) members including two (2) Council Members and three appointed members. The term of office shall be four (4) years. The committee meets on the second Tuesday of every other month at 6:00 p.m. in the City Council Chambers unless a special meeting in compliance with the provisions of the Brown Act is called by the committee chair.

This Resolution shall be effective immediately upon adoption. The operative date of this resolution for the General Plan Committee and the Park and Recreation Commission shall be

May 21, 2008 revisions, clean copy

thirty (30) days from and after the date of adoption of the Ordinance rescinding Chapters 2.37 and 2.40 of the Atherton Municipal Code. Resolution 98-06 is hereby rescinded.

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the Town of Atherton at a regular meeting thereof held on the _____ day of _____, 2008, by the following vote.

*AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:*

James R. Janz, MAYOR
Town of Atherton

ATTEST:

Kathi Hamilton, Acting City Clerk

APPROVED AS TO FORM:

Marc G. Hynes, City Attorney

The Environmental Programs Committee shall have the following powers and duties:

a. Act in an advisory capacity and make recommendations (programmatic and legislative) to the City Council on all matters pertaining to the Town's natural and built environment and our regional role and responsibilities as one of the communities along the SF Bay Peninsula.

b. Propose and develop timely and appropriate responses for the town to: i) environmental issues or threats that become matters of concern for our community; ii) any regulatory statute or legislative changes or policies coming from the county, state or Federal governments on matters of environmental protection or performance; and iii) technological advancements that can help the Town address environmental issues, threats or legislative requirements. Such issues would include but not be limited to: global warming and CO2 emissions, green building guidelines, conservation & diversion, ABAG policies, PG&E and Allied Waste programs or services, e-waste collection and Earth Day and other environmental events.

c. Create pro-active community engagement programs for residents and commercial enterprises (at this time primarily schools) active within the Town's jurisdiction. Such programs would provide both i) environmental education on the pertinent issues and ii) create a social framework to achieve the necessary improvements in town-wide environmental practices to protect community health, natural resources and environmental quality.

EXHIBIT B



AGENDA
Town of Atherton
CITY COUNCIL/ATHERTON CHANNEL
DRAINAGE DISTRICT
JUNE 11, 2008
7:00 P.M.
TOWN COUNCIL CHAMBERS
94 Ashfield Road
Atherton, California

Special Meeting

7:00 P.M. ROLL CALL J. Carlson, Marsala, Janz, McKeithen

7:02 P.M. PUBLIC COMMENTS

PUBLIC HEARINGS (Items 1-3)

**7:10. P.M. 1. **CONSIDERATION AND POSSIBLE ADOPTION OF A
RESOLUTION ADOPTING THE FY 2008-09 OPERATING AND
CAPITAL BUDGET****

Recommendation: Presentation of proposed budget from City Manager and Interim Finance Director, open public hearing, receive testimony, and close public hearing. After consideration and appropriate direction to staff, Council may adopt a Resolution adopting Fiscal Year 2008-09 Operating and Capital Budget.

**2. **CONSIDERATION AND POSSIBLE ADOPTION OF A
RESOLUTION APPROVING THE FISCAL YEAR 2008-09
APPROPRIATIONS LIMIT AND CALCULATIONS****

Recommendation: Adopt a Resolution approving the Fiscal Year 2008-09 Appropriations Limit and Calculations

**3. **CONSIDERATION AND POSSIBLE ADOPTION OF A
RESOLUTION ESTABLISHING A SPECIAL TAX FOR MUNICIPAL
SERVICES FOR THE FISCAL YEAR 2008-2009****

Recommendation: Open public hearing, receive testimony, and close public hearing. After consideration, adopt a Resolution establishing a Special Tax for Municipal Services for the Fiscal Year 2008-2009 as set forth in Ordinance No. 555.

NOTE: Ordinance No 555 approved by the voters on June 7, 2005, provided for the authorization to levy a Special Tax for Municipal Services and Capital Improvements and for the expenditure of the funds derived from the tax. The Special Tax was to commence in FY 2005-2006 and continue through June 30, 2010. Each year, following the adoption of the Budget, it is necessary to hold a Public Hearing and adopt a Resolution levying a Special Tax for Municipal Services and instructing the Tax Collector of the County of San Mateo to collect the tax rates as identified within the Adopted Resolution.

4. ADJOURN

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☛ Please contact the City Clerk's Office at 650.752.0500 with any questions*

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Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
JEROME GRUBER, CITY MANAGER**

FROM: BILL YEOMANS, INTERIM FINANCE OFFICER

DATE: FOR THE SPECIAL MEETING OF JUNE 11, 2008

**SUBJECT: CONSIDERATION AND POSSIBLE APPROVAL OF A
RESOLUTION ADOPTING THE FISCAL YEAR 2008-09 BUDGET**

RECOMMENDATION:

Approve the attached resolution adopting of the Fiscal Year 2008-09 Budget.

DISCUSSION

Attached is the City Manager's recommended operating and capital budget for FY 2008-09.

This document includes:

- A transmittal letter providing an overview of the FY 2008-09 Budget, including an attachment indicating budget changes recently arrived at with the Finance Committee.
- An itemization of recommended appropriations and revenue estimates for the upcoming fiscal year by fund, account and program;
- Recommended funding levels for the Town's capital improvement program;
- Supplementary information, such as a comparative analysis of current and prior year staffing levels, general fund balance, real property assessments and apportionments; and

- An intermediate-range financial plan illustrating the anticipated revenues, expenditures and general fund balance for the years ended June 30, 2008 through 2012.

During the special Council meeting of June 11, 2008, staff is prepared to respond to questions from the Council or from the public relevant to the proposed FY 2008-09 Operating and Capital Budget.

Upon closure of the public hearing, staff recommends the adoption of a resolution as presented or as modified pursuant to any changes in the budget that the Council wishes to be made.

FISCAL IMPACT:

The fiscal impact of staff's recommendation is documented within the proposed FY 2008-09 Budget as revised by the transmittal letter.

Prepared by:

Approved by:

Bill Yeomans
Interim Finance Officer

Jerome Gruber
City Manager

Attachment:
City Manager's Recommended Budget for FY2008-09

RESOLUTION NO. 08-

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
ADOPTING THE FISCAL YEAR 2008-2009 OPERATING AND CAPITAL BUDGET**

WHEREAS, the City Council of the Town of Atherton set June 11, 2008, at the Town of Atherton City Council Chambers, 94 Ashfield Road, Atherton, California, as the time and place for the public hearing on the adoption of the Fiscal Year 2008-2009 Operating and Capital Budget; and

WHEREAS, notice of said hearing was duly given by posting the time and place of said hearing at designated places in accordance with Chapter 2.08 of the Municipal Code of the Town of Atherton; and

WHEREAS, said Council held a public hearing on the Proposed Fiscal Year 2008-2009 Operating and Capital Budget on June 11, 2008; and

WHEREAS, it appears to be in the best interest of the citizens of the Town of Atherton that the Fiscal Year 2008-2009 Operating and Capital Budget be adopted in the format set forth in Exhibit A, attached hereto, and by reference incorporated herein; and

WHEREAS, the budget was made available for public view at the Town Hall, 91 Ashfield Road, Atherton, California, and the Town Library, 2 Dinkelspiel Station Lane, Atherton, California.

NOW THEREFORE, BE IT RESOLVED, that the Fiscal Year 2008-2009 Operating and Capital Budget totaling \$16,843,136, which includes the General Fund Operating Budget of \$11,167,435, Other Funds' Operating Budgets of \$803,807, and the Capital Budget of \$4,871,894, as set forth in Exhibit A, attached hereto and by reference incorporated herein, be adopted for Fiscal Year 2008-2009.

BE IT FURTHER RESOLVED, that the City Clerk of the Town of Atherton is hereby directed to forward a copy of said approved and adopted budget to the County Controller of San Mateo County for filing pursuant to Government Code Section 53901.

* * * * *

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the City Council of the Town of Atherton at a special meeting thereof held on the 11th day of June 2008, by the following vote:

*AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:*

James R. Janz, MAYOR
Town of Atherton

ATTEST:

Kathi Hamilton, City Clerk

Approved as to Form

Marc Hynes, City Attorney

EXHIBIT "A"

THE CITY COUNCIL OF THE TOWN OF ATHERTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1: That an Appropriation-Expenditure Budgeting System entitled Expenditure Control Budget (ECB) is hereby adopted. The system consists of:

- **Present Personnel Policies, Procedures, and Memorandum of Understanding, including salary schedules and benefits, except as hereinafter changed by resolution or ordinance of the City Council.**
- **The Expenditure Control Budget will show overall General Fund and other funds and/or departments.**
- **This system will apply to Operating and Capital Budget Expenditures as intended for use in Fiscal Year 2008-2009.**
- **All encumbered expenditures from the Fiscal Year 2007-2008 Adopted Budget shall be carried forward and re-appropriated in Fiscal Year 2008-2009. Said encumbered expenditures to be re-appropriated in Fiscal Year 2008-2009 must be initiated by the Department Heads, recommended by the Finance Director, and approved by the City Manager.**
- **Capital Project Commitments: Capital projects for which funds are appropriated in the budget year shall have those funds restricted for use for that project. Such appropriations will continue to be valid in subsequent fiscal years until the project is completed or the Council takes subsequent action to de-appropriate all or part of the funds originally restricted. If a capital project requires an additional appropriation in excess of 5% of its budget, then City Council approval shall be required.**
- **General Fund Balance: The General Fund will maintain a Reserved Balance of \$ 5.3 million to maintain the City's credit worthiness, and to adequately provide for economic uncertainties, cash flow needs, contingencies, or local disasters.**
- **The City Manager is authorized to make any transfers of Operating Budget appropriation balances between departments and/or programs whenever he deems it necessary to do so in order to carry out the service level objectives and work programs established by the City Council. The City Council will be promptly advised of transfer of operating budget appropriations.**
- **This budget system assumes existing service levels; Council approval will be required for any significant changes involving increased or decreased service levels.**
- **The Department of Finance shall be responsible for constant monitoring of the budget and shall establish and implement appropriate control mechanisms necessary for said purpose after consultation with city staff, and approval by the City Manager.**

- A monthly financial report shall be prepared by the Finance Director for each department and/or program and/or capital project.

Section 2: The FY 2008-2009 General Fund Operating Budget Programs are hereby adopted, establishing the following projected General Fund Revenue and General Fund Expenditures:

FY 2008-2009 GENERAL FUND REVENUE ESTIMATES & EXPENDITURE BUDGET

General Fund Revenues:

Property Tax	\$	4,701,282
Other Tax		1,669,535
Licenses and Permits		1,870,000
Fines and Forfeitures		31,000
From Other Agencies		782,706
Current Service Charges		693,000
Investment and Rental Income		511,000
Other Revenues		34,000

Sub-total Revenues: 10,292,522

Transfers and Carry-over:

Capital Projects Direct Charge	150,000
Transfer from Parcel Tax	-
Transfer from Gas Tax	100,000
Transfer to Building Facilities	-

Sub-total Transfers: 250,000

General Fund Expenditures:

City Council	\$	37,277
City Manager		737,136
City Attorney		206,228
Finance Dept.		442,256
Building Dept.		1,512,253
Police Dept.		5,082,634
Public Works Dept.		2,521,151

Total Expenditures: \$ 10,538,935

Section 3: FY 2008-2009 all Funds Operating and Capital Budgets are hereby adopted, establishing the following revenue estimates and expenditure budgets:

Revenues:

GENERAL FUND	\$	10,292,522
SPECIAL REVENUE FUNDS		
Transportation Fund		280,000
Parcel Tax Fund		1,858,000
Gas Tax Fund		139,000
Road Construction Impact Fees Fund		1,265,033
State COPS Fund		100,000
Tennis Program Fund		8,000
State Park Grant Fund		247,300
Library Special Revenue Fund		650,000
CAPITAL PROJECT FUNDS		
Capital Improvement Fund		27,200
Storm Drainage Fund		21,000
Channel Drainage District Fund		79,666
Facilities Construction Fund		4,000
INTERNAL SERVICES FUNDS		
Information Technology Fund		109,641
Administrative Services Fund		311,024
Vehicle Replacement Fund		132,669
TRUST & AGENCY FUNDS		
Evans Estate Fund (Art Committee)		14,500
Tree Committee Fund		4,600
Total Revenues:	\$	15,544,155

Expenditures & Other Uses:

GENERAL FUND	\$	10,538,935
SPECIAL REVENUE FUNDS		
Parcel Tax Fund		1,335,000
Transportation Fund		464,845
Gas Tax Fund		175,000
Road Construction Impact Fees Fund		2,020,500
State COPS Grant		100,000
State Park Grant Fund		646,300
Tennis Program Fund		7,176
Library Special Revenue		76,000
CAPITAL PROJECT FUNDS		
Storm Drainage Fund		20,049
Channel Drainage District Fund		110,000
Park Playground Fund		-
Facilities Construction Fund		-
Capital Improvement		96,200
INTERNAL SERVICES FUNDS		
Information Technology Fund		112,751
Administrative Services Fund		335,480
Workers Comp Insurance Fund		-
Vehicle Replacement Fund		156,000
TRUST AGENCY FUNDS		
Evans Estate Fund (Art Committee)		11,500
Tree Committee Fund		4,900
Total Expenditures:	\$	16,707,636



Town of Atherton

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
CITY MANAGER, JEROME GRUBER**

FROM: BILL YEOMANS, INTERIM FINANCE OFFICER

DATE: FOR THE SPECIAL MEETING OF JUNE 11, 2008

**SUBJECT: CONSIDERATION AND POSSIBLE APPROVAL OF A
RESOLUTION ADOPTING THE FY 2008-09 APPROPRIATIONS
LIMIT AND SUPPORTING CALCULATIONS**

RECOMMENDATION:

Approve the adoption of the FY 2008-09 appropriations limit and supporting calculations.

DISCUSSION

Pursuant to Article XIII B of the California Constitution, the Town of Atherton is required to adopt a resolution that:

- Establishes the appropriations limit at the beginning of each fiscal year; and
- Documents the procedures used to arrive at said limit.

Accompanying this staff report is the recommended appropriations limit and supporting schedules.

Should the City Council choose to make any changes to the recommended budget, the appropriations limit resolution and supporting schedules will be modified accordingly.

As indicated in the Attachment II to the appropriations limit resolution, the FY 2008-09 appropriations limit will amount to \$9,818,431. The appropriations limit, therefore,

exceeds the \$5,980,240 of appropriations subject to the appropriations limit by \$3,838,192.

FISCAL IMPACT:

While the adoption of an appropriations limit resolution is required by the California Constitution, there is no direct fiscal impact from implementation of staff's recommendation.

Prepared by:

Approved by:

Bill Yeomans
Interim Finance Officer

Jerome Gruber
City Manager

Attachment

RESOLUTION NO. 08-

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON
APPROVING APPROPRIATIONS LIMIT AND CALCULATIONS FOR
FISCAL YEAR 2008-2009**

WHEREAS, the Finance Director has calculated the fiscal year 2008-2009 appropriations limit for the Town of Atherton in accordance with applicable State law; and

WHEREAS, the San Mateo County annual percentage change in population is 1.27% and the per capita personal income percentage change is 3.28% (noting that both amounts are supplied by the Finance Department, State of California).

WHEREAS, the Finance Director has recommended approval of said limit at \$9,818,431 and its calculations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the Town of Atherton does hereby approve the appropriations limit of \$9,296,482.60 and its calculations as set forth in Attachment 1 through 3, the copies of which are attached hereto.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the Town of Atherton at a regular meeting thereof held on the ____ day of June, 2008, by the following vote:

*AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:*

James R. Jan, MAYOR
Town of Atherton

ATTEST:

Kathi Hamilton, City Clerk

APPROVED AS TO FORM:

Marc Hynes, City Attorney

ATTACHMENT I

**TOWN OF ATHERTON
GANN LIMIT COMPUTATION
SUMMARY
FY 2008-09**

	<u>BUILDING/ENG.</u>	<u>PARKS</u>	<u>OTHER</u>	<u>POLICE</u>	<u>TOTAL</u>
A. COSTS REASONABLY BORNE	1,707,142	580,834	101,558	410,411	2,799,946
B. FEES	<u>1,771,000</u>	<u>214,000</u>	<u>4,400</u>	<u>9,000</u>	<u>1,998,400</u>
C. FEES OVER(UNDER) COSTS	63,858	(366,834)	(97,158)	(401,411)	(801,546)
D. TRANSFER TO RESERVE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
E. AMOUNT TO TAX PROCEEDS	<u>63,858</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>63,858</u>
PROCEEDS OF TAXES	5,916,381				
AMOUNT TO TAX PROCEEDS	<u>63,858</u>				
TOTAL PROCEEDS OF TAXES	5,980,240				
APPROPRIATION LIMIT	<u>9,818,431</u>				
AMOUNT OVER / (UNDER) LIMIT	<u>(3,838,192)</u>				

ATTACHMENT II

TOWN OF ATHERTON
CALCULATION OF APPROPRIATION LIMIT
2008-09

2006-07 Base Appropriations Limit			\$	9,296,482
City Population Change	1.27	1.0127		
Per Capita Personal Income Change	4.29	1.0429		
Calculation Factor		1.0561		
Total Adjustments				521,949
2006-07 Appropriations Limit			\$	9,818,431

**TOWN OF ATHERTON
CALCULATION OF PROCEEDS OF TAXES
FY 2008-09**

ATTACHMENT III

	<u>PROCEEDS OF TAXES</u>	<u>NON-PROCEEDS OF TAXES</u>	<u>USER FEES</u>	<u>TOTAL</u>
<u>10 PROPERTY TAXES</u>				
- SECURED	4,299,782			4,299,782
- UNSECURED	250,000			250,000
- SB813 SUPPLEMENTAL	120,000			120,000
- HOPTR	31,500			31,500
- OTHER				0
<u>011 OTHER TAXES</u>				
- FRANCHISE - PG&E		215,000		215,000
- FRANCHISE - CAL WATER		64,000		64,000
- FRANCHISE - BFI		173,000		173,000
- FRANCHISE - CABLE TV & OTHER		88,000		88,000
- SALES & USE TAXES	169,235			169,235
- PUBLIC SAFETY SALES TAX		69,000		69,000
- REAL PROPERTY TRANSFER	250,000			250,000
<u>0330 LICENSES AND PERMITS</u>				
- BUSINESS LICENSES	400,000			400,000
- HOME OCCUPATIONS	6,000			6,000
- BUILDING PERMITS			1,300,000	1,300,000
- ENCROACHMENT PERMITS			110,000	110,000
- OTHER LICENSES & PERMITS			4,000	4,000
<u>0340 FINES AND FORFEITURES</u>				
- VEHICLE CODE FINES		25,000		25,000
- OTHER FINES AND FORFEITURES		6,000		6,000
<u>0350 USE OF MONEY AND PROPERTY</u>				
- INTEREST-GENERAL FUND		400,000		400,000
- INTEREST-TRAFFIC SAFETY				0
- PROPERTY RENTAL - PLAY SCHOOL		75,000		75,000
- PROPERTY RENTAL - CELLULAR ONE		36,000		36,000
- OTHER		0		0
<u>0353 HOLBROOK-PALMER PARK</u>				
- SOCIAL FEES			125,000	125,000
- MEETING FEES			65,000	65,000
- FOOD SERVICE			0	0
- SUPERVISORY FEES			0	0
- LIABILITY INSURANCE FEE			0	0
- CLASS FEES			16,000	16,000
- TENNIS CLASSES			0	0
- FOUNDATION REIMBURSEMENT		0	0	0
<u>0360 REVENUE FROM OTHER AGENCIES</u>				
- MOTOR VEHICLE LICENSE FEE	641,300			641,300
- OFF HIGHWAY MVLF	0			0
- OTHER GRANTS	0		234,500	234,500
- MENLO HS SRO REIMB	0			0

**TOWN OF ATHERTON
CALCULATION OF PROCEEDS OF TAXES
FY 2008-09**

ATTACHMENT III

	<u>PROCEEDS OF TAXES</u>	<u>NON-PROCEEDS OF TAXES</u>	<u>USER FEES</u>	<u>TOTAL</u>
<u>0370 CURRENT SERVICES</u>				
- ELECTIONS PROCESSING FEE		0		0
- DOCUMENT/RESEARCH FEE			400	400
- MICROFILM			0	0
- PHOTOCOPY FEE			4,000	4,000
- ALARM MONITORING FEE			600	600
- VEHICLE RELEASE			1,500	1,500
- POLICE REPORT			3,000	3,000
- FINGERPRINTING FEE			0	0
- SPECIAL SERVICES - POLICE			4,500	4,500
- ZONING, PLANNING & SUBDIVISION FEES			327,000	327,000
- APPLICATION FEE			30,000	30,000
- INSPECTION FEE			0	0
- ENGINEERING PLANNING FEE			0	0
- SALES OF DOCUMENTS			0	0
- POST OFFICE		55,000		55,000
- OTHER SERVICES			0	0
- SMIP (EARTHQUAKES)			11,000	11,000
- DONATIONS - SPECIAL GIFTS		24,000		24,000
- PG&E UTILITIES		0		0
<u>0380 MISCELLANEOUS REVENUE</u>		10,000		10,000
<u>0390 REIMBURSEMENTS</u>				
- BOOKING FEES		0		0
- PERS EQUITY DISTRIBUTION				0
- POST		20,000		20,000
- ERAF		468,206		468,206
- OTHER		60,000		60,000
TOTAL GENERAL FUND	<u>6,167,817</u>	<u>1,788,206</u>	<u>2,236,500</u>	<u>10,192,522</u>
<u>OTHER</u>				
PROPERTY TAX - SPECIAL TAX	1,858,000			1,858,000
SALES TAX - TRANSPORTATION		280,000		280,000
INTEREST - TRANSPORTATION		4,000		4,000
GAS TAX - 2105		139,000		139,000
ROAD IMPACT FEES	1,265,033			1,265,033
DRAINAGE FUNDS	100,666			100,666
MIDDLEFIELD ROAD GRANTS		0		0
STATE COPS		100,000		100,000
TENNIS			8,000	8,000
LIBRARY		650,000		650,000
PARK IMPROVEMENTS		0		0
PARK GRANTS		247,300		247,300
CAPITAL IMPR.	27,200			27,200
TOTAL OTHER REVENUES	<u>3,250,899</u>	<u>1,420,300</u>	<u>8,000</u>	<u>4,679,199</u>
TOTAL REVENUES W/O INTEREST	<u>9,418,716</u>	<u>3,208,506</u>	<u>2,244,500</u>	<u>14,871,721</u>

**TOWN OF ATHERTON
CALCULATION OF PROCEEDS OF TAXES
FY 2008-09**

ATTACHMENT III

	<u>PROCEEDS OF TAXES</u>	<u>NON-PROCEEDS OF TAXES</u>	<u>USER FEES</u>	<u>TOTAL</u>
<u>LESS EXCLUSIONS</u>				
- CAPITAL OUTLAY	3,735,749	1,386,145	0	5,121,894
- FEDERAL / STATE MANDATES	0		11,000	11,000
NET REVENUES	<u>5,682,967</u>	<u>1,822,361</u>	<u>2,233,500</u>	<u>9,738,827</u>
	58.4%	18.7%	22.9%	100.0%
<u>INTEREST</u>	233,415	74,849	91,736	400,000
TOTAL REVENUES	<u><u>5,916,381</u></u>	<u><u>1,897,210</u></u>	<u><u>2,325,236</u></u>	<u><u>10,138,827</u></u>

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
CITY MANAGER, JEROME GRUBER**

FROM: BILL YEOMANS, INTERIM FINANCE OFFICER

DATE: FOR THE MEETING OF JUNE 11, 2008

**SUBJECT: CONSIDERATION AND POSSIBLE ADOPTION OF A RESOLUTION
TO LEVY SPECIAL PARCEL TAX**

RECOMMENDATION:

Adopt a Resolution establishing a Special Tax for Municipal Services for the Fiscal Year 2008-09.

DISCUSSION:

On June 7, 2005, the residents of Atherton approved Ordinance No. 555 establishing a special municipal tax. FY 2008-09 will be the fourth year in which the five-year special municipal tax has been in effect.

The FY 2008-09 budget approved by Council in June includes an estimate of parcel tax revenue in the amount of \$1,858,000. The recommended parcel tax levy is unchanged from the levy adopted in FY 2006-07.

The FY 2008-09 recommended budget documents show that staff recommends the proceeds of the parcel tax levy be expended. In summary, \$650,000 (35%) of the proposed \$1,858,000 levy will be expended upon operations. The remaining \$1,208,000 (65 %) of the proposed levy will be used to defray the direct and indirect costs of improvements to the Town's roadways and drainage systems.

If the Council adopts the attached resolution, the tax will be collected for the Town of Atherton by San Mateo County as part of the regular property tax bill due and payable in December 2008 and April 2009. The taxes for each parcel classification are listed on Exhibit A of the resolution.

FISCAL IMPACT:

Should the Council approve the tax levy as is proposed in the attached resolution, the Special Municipal Tax will generate an estimated \$1,858,000, of which \$650,000 would go to the General Fund and the remainder would be expended upon capital improvements to the Town of Atherton's roads and drainage systems.

Prepared by:

Approved by:

Bill Yeomans
Interim Finance Officer

Jerome Gruber
City Manager

CITY COUNCIL STAFF REPORT

**TO: HONORABLE MAYOR AND CITY COUNCIL
CITY MANAGER, JEROME GRUBER**

FROM: BILL YEOMANS, INTERIM FINANCE OFFICER

DATE: FOR THE MEETING OF JUNE 11, 2008

**SUBJECT: CONSIDERATION AND POSSIBLE ADOPTION OF A RESOLUTION
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The FY 2008-09 budget approved by Council in June includes an estimate of parcel tax revenue in the amount of \$1,858,000. The recommended parcel tax levy is unchanged from the levy adopted in FY 2006-07.

The FY 2008-09 recommended budget documents show that staff recommends the proceeds of the parcel tax levy be expended. In summary, \$650,000 (35%) of the proposed \$1,858,000 levy will be expended upon operations. The remaining \$1,208,000 (65 %) of the proposed levy will be used to defray the direct and indirect costs of improvements to the Town's roadways and drainage systems.

If the Council adopts the attached resolution, the tax will be collected for the Town of Atherton by San Mateo County as part of the regular property tax bill due and payable in December 2008 and April 2009. The taxes for each parcel classification are listed on Exhibit A of the resolution.

FISCAL IMPACT:

Should the Council approve the tax levy as is proposed in the attached resolution, the Special Municipal Tax will generate an estimated \$1,858,000, of which \$650,000 would go to the General Fund and the remainder would be expended upon capital improvements to the Town of Atherton's roads and drainage systems.

Prepared by:

Approved by:

Bill Yeomans
Interim Finance Officer

Jerome Gruber
City Manager

RESOLUTION 08-__

A RESOLUTION OF THE TOWN OF ATHERTON
ESTABLISHING A SPECIAL TAX FOR MUNICIPAL SERVICES
FOR THE FISCAL YEAR 2008-2009

WHEREAS, there is Ordinance No. 555 of the Town of Atherton authorizing the City Council to establish a Special Tax Levy on all properties with the Town of Atherton; and

WHEREAS, such Special Tax must be utilized to finance the cost of municipal services during the year as authorized; and

WHEREAS, such Special Tax was approved by at least two-thirds of the voters voting in the June 7, 2005, Special Tax Election, at which time Ordinance No. 555 was presented to the electorate; and

WHEREAS, the City Council has held all public hearings, and made deliberations and findings of fact, as required by Ordinance No. 555.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the Town of Atherton hereby levies a Special Tax for municipal services in accordance with the tax rates attached and shown as Exhibit "A".

BE IT FURTHER RESOLVED that such tax shall be collected by the Tax Collector of the County of San Mateo in accordance with standard procedures and agreement between the Town of Atherton and the County of San Mateo, providing for such collection.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the Town of Atherton at a regular meeting thereof held on the ____ day of June, 2008 by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSENT: Council Members:
ABSTAIN: Council Members:

James R. Janz, Mayor
TOWN OF ATHERTON

ATTEST:

Kathi Hamilton
City Clerk

APPROVED TO FORM:

Marc G. Hynes, City Attorney

EXHIBIT “A”

**2008-2009 SPECIAL TAX RATE
FOR MUNICIPAL SERVICES**

Within the 2008-2009 annual budget is a revenue estimate of \$1,858,000 to be derived from the Special Municipal Tax as authorized by Ordinance 555 of the Town of Atherton.

This amount will be raised by the levy of the following tax rates for each of the categories listed below:

<u>Category</u>	<u>Rate</u>
1. For each dwelling on parcel with an area of less than 1/4 acre.	\$450
2. For each unimproved parcel with an area of less than 1/4 acre.	225
3. For each dwelling on parcel with an area of 1/4 acre but less than 1/2 acre.	570
4. For each unimproved parcel with an area of 1/4 acre but less than 1/2 acre.	285
5. For a dwelling on parcel with an area of 1/2 acre but less than 2 acres.	750
6. For each unimproved parcel with an area of 1/2 acre but less than 2 acres.	375
7. For each dwelling on parcel with an area of 2 acres or more.	960
8. For each unimproved parcel with an area of 2 acres or more.	480
9. For each private club.	10,000
10. For each parcel available for tax owned by a utility which serves Atherton area.	450
11. For each parcel available for tax owned by a utility which does not directly serve the Atherton community.	750

The records of the San Mateo County Assessor, as of each year, shall determine whether or not any particular lot is unimproved for purposes of this ordinance.