



MINUTES
Town of Atherton
City Council/Finance Committee
March 15, 2023
SPECIAL MEETING – STUDY SESSION

Mayor Widmer called the meeting to order at 3:00 p.m.

SPECIAL MEETING – STUDY SESSION– *Convene as the City Council*

ROLL CALL - *Holland, DeGolia, Lewis, Vice Mayor Hawkins-Manuelian, Mayor Widmer - Present*

FINANCE COMMITTEE - *Hill, Vice Chair Sleeth, Chair Walker - Present*

PUBLIC COMMENTS - *None*

CONSENT CALENDAR (Item 1)

1. DESIGNATION OF AGENT FOR EMERGENCY RESPONSE REIMBURSEMENT AND CERTIFICATION OF PROJECT ASSURANCES FOR FEDERAL ASSISTANCE

MOTION by Holland, Second by Lewis to approve the Consent Calendar

AYES: Holland, DeGolia, Lewis, Vice Mayor Hawkins-Manuelian, Mayor Widmer

NOES:

ABSENT:

ABSTAIN:

REGULAR AGENDA - *None*

STUDY SESSION (Item 2 -4)

2. FY 2023/24 GENERAL FUND/OPERATIONS BUDGET

Finance Director, Robert Barron III, presented the FY 2023/24 General Fund/Operations Budget

Mayor Widmer commented that he prefers a revenue projection more in line with actual expectations. City Manager Rodericks advised the Council that staff projects expenditures aggressively and revenues conservatively for several reasons. First, so that the Town's expenditures stay within available revenues and do not creep up to projected expenditures that may or may not be realized; and second in order to account for market fluctuations in revenues.

Council Member DeGolia asked staff about the high projected increase in building revenue. Finance Director Barron III advised the Council that there was a projected increase in Building activity and fees based on project projections and projected fee adjustments. Additionally, he informed Council that the projection budget includes only a portion of the estimated increased amount.

Chair Yvonne Anne Walker asked staff if the projection is year to date or through the Fiscal Year. Staff responded that the estimate is based on last month's fiscal trend. City Manager Rodericks added that the projected estimates are through the current date since Fiscal Year 2023 is not over. Chair Walker questioned staff if they were considering the potential effects of the housing element provisions. City Manager Rodericks that the projection includes SB9 projects but not a multifamily development.

City Manager Rodericks informed Council that the Police Department budget did not decrease but was adjusted due to the previous contribution of five million dollars to the Pension UAL. Additionally, he informed Council that the increase in the Planning Department budget is to compensate for staff changes, restructure of previous planning operations and fees, along with the continual work on the Housing Element.

Council Member DeGolia questioned if grants were included in the revenue involving Capital Improvement Projects. Finance Director Barron commented that the grants go directly in the Capital Improvement Fund and that the amount of \$1.7 million dollars was directed from the General Fund to the CIP Fund.

Committee Member Thomas Hill commented that the ARPA Funds Set Aside should not be included in the reserve since it reduces the unallocated reserves. City Manager Rodericks responded that since the funds have not been decided by Council to fund projects, the ARPA Funds Set Aside needs to be included in a separate fund.

City Manager Rodericks presented a Financial Planning Model that was developed a year ago that shows areas of focus for funding and asked Council if they would like to discuss updates.

City Manager Rodericks advised Council that would continue work to develop additional drainage solutions on ECR. Vice Mayor Hawkins-Manuelian added that there are many resident concerns about those issues and that there are potential grant opportunities to support it.

Council Member Lewis commented that there needs to be a larger investment towards the Master Drainage Plan. City Manager Rodericks informed the Council that the focus on drainage is directed toward life-safety priority projects..

Atherton Resident, Bob Polito, commented that the Housing Community Development rejected the recent Housing Element proposal and that the Council needs to consider other possibilities to achieve Multi-family Housing Developments along with anticipating potential Builder's Remedy.

Council Member Holland asked staff for clarifications regarding affordable housing loan. City Manager Rodericks advised the Council on how a loan to an Affordable Housing Fund would work. Staff also advised of how other communities used set aside funds for affordable housing. City Attorney Mona Ebrahimi commented that the terms of repayment of a General Fund loan could be determined by the Town, but the funds repaid would need to be spent on future housing developments.

Council Member DeGolia commented that there would be potential pushback to using General Fund to build affordable housing on El Camino Real.

Vice Mayor Hawkins-Manuelian commented that funds should be invested in batteries that can be used by solar panels to create a micro-grid as opposed to purchasing an additional generator. Additionally, she added that funds need to be focus on emergency infrastructures.

3. PROVIDE FEEDBACK AND DIRECTION REGARDING USE AND MAINTENANCE RESPONSIBILITIES ASSOCIATED WITH THE PUBLIC RIGHT-OF-WAY

Item postponed to future Study Session.

4. REVIEW AND COMMENT ON THE POLICE DEPARTMENT INTERNAL AUDIT AND INSPECTION REPORTS

Item postponed to future Study Session.

5. COUNCIL REPORTS/COMMENTS – *None*

6. ADJOURN

Mayor Widmer adjourned the meeting at 5:50 p.m.

Francesca Reyes
Office Specialist