

City of Capitola Agenda

Mayor: Sam Storey
Vice Mayor: Dennis Norton
Council Members: Ed Bottorff
Stephanie Harlan
Michael Termini
Treasurer: Christine McBroom



SPECIAL JOINT BUDGET STUDY SESSION CAPITOLA CITY COUNCIL/SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY

WEDNESDAY, MAY 21, 2014

6:00 PM

**CITY HALL COUNCIL CHAMBERS
420 CAPITOLA AVENUE, CAPITOLA, CA 95010**

All matters listed on the Special Joint Budget Study Session of the Capitola City Council/Successor Agency Agenda shall be considered as Public Hearings.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Members Stephanie Harlan, Dennis Norton, Ed Bottorff, Michael Termini and Mayor Sam Storey

2. PUBLIC COMMENT

Oral Communications allows time for members of the Public to address the City Council on any item not on the Agenda. Presentations will be limited to three minutes per speaker. Individuals may not speak more than once during Oral Communications. All speakers must address the entire legislative body and will not be permitted to engage in dialogue. All speakers are requested to print their name on the sign-in sheet located at the podium so that their name may be accurately recorded in the minutes. A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.

3. CITY COUNCIL / CITY TREASURER / STAFF COMMENTS

City Council Members/City Treasurer/Staff may comment on matters of a general nature or identify issues for staff response or future council consideration.

SPECIAL JOINT BUDGET STUDY SESSION OF THE CAPITOLA CITY COUNCIL/SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY - Wednesday, May 21, 2014

4. GENERAL GOVERNMENT / PUBLIC HEARINGS

General Government items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each General Government item: 1) Staff explanation; 2) Council questions; 3) Public comment; 4) Council deliberation; 5) Decision.

- A. Presentation of the proposed 2014/2015 Fiscal Year Budget for the City of Capitola General Fund, the Capitola Successor Agency, and an overview of the Capital Improvement Program.

5. ADDITIONAL MATERIALS

Additional information submitted to the City Council after distribution of the agenda packet.

6. ADJOURNMENT

Adjourn to the next Regular Meeting of the City Council on Thursday, May 22, 2014, at 7:00 PM, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Note: Any person seeking to challenge a City Council decision made as a result of a proceeding in which, by law, a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the City Council, shall be required to commence that court action within ninety (90) days following the date on which the decision becomes final as provided in Code of Civil Procedure §1094.6. Please refer to code of Civil Procedure §1094.6 to determine how to calculate when a decision becomes “final.” Please be advised that in most instances the decision become “final” upon the City Council’s announcement of its decision at the completion of the public hearing. Failure to comply with this 90-day rule will preclude any person from challenging the City Council decision in court.

Notice regarding City Council: The Capitola City Council meets on the 2nd and 4th Thursday of each month at 7:00 p.m. (or in no event earlier than 6:00 p.m.), in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The City Council Agenda and the complete Agenda Packet are available for review on the City’s website: www.cityofcapitola.org and at Capitola City Hall and at the Capitola Branch Library, 2005 Wharf Road, Capitola, on the Monday prior to the Thursday meeting. Agendas are also available at the Capitola Post Office located at 826 Bay Avenue, Capitola. Need more information? Contact the City Clerk’s office at 831-475-7300.

Agenda Materials Distributed after Distribution of the Agenda Packet: Pursuant to Government Code §54957.5, materials related to an agenda item submitted after distribution of the agenda packet are available for public inspection at the Reception Office at City Hall, 420 Capitola Avenue, Capitola, California, during normal business hours.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk’s office at least 24-hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

Televised Meetings: City Council meetings are cablecast “Live” on Charter Communications Cable TV Channel 8 and are recorded to be rebroadcasted at 8:00 a.m. on the Wednesday following the meetings and at 1:00 p.m. on Saturday following the first rebroadcast on Community Television of Santa Cruz County (Charter Channel 71 and Comcast Channel 25). Meetings are streamed “Live” on the City’s website at www.cityofcapitola.org by clicking on the Home Page link “**Meeting Video**”. Archived meetings can be viewed from the website at anytime.



CITY COUNCIL/SUCCESSOR AGENCY TO THE FORMER RDA AGENDA REPORT SPECIAL MEETING OF MAY 21, 2014

FROM: CITY MANAGER / FINANCE DEPARTMENT

SUBJECT: PROPOSED FISCAL YEAR 2014/15 AND FISCAL YEAR 2015/16 BUDGET FOR THE CITY AND THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY (RDA) AND OVERVIEW OF THE CAPITAL IMPROVEMENT PROGRAM

RECOMMENDED ACTION: Receive the Proposed Fiscal Year (FY) 14/15 and Planned FY 15/16 Budget for the City and Successor Agency to the former Redevelopment Agency; receive an overview of the Capital Improvement Program, and provide staff direction.

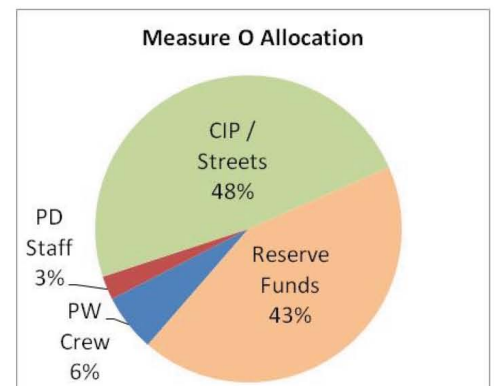
DISCUSSION: The City of Capitola Proposed FY14/15 and FY15/16 Budget is a two year financial plan for the City. The proposed Budget was prepared based on the Council's adopted budget principles, while taking into account projections of future revenue. The Budget is the City's operating plan and a primary mechanism by which the Council's goals and vision for the City are transmitted to staff for implementation.

The document is organized to present information in several ways. General Fund revenues and expenditures are shown to provide information about longer term patterns and overall fiscal stability, then revenues and expenditures for the City's various funds and Departments are shown to provide additional detail and information about the City's programs and projects.

The balanced FY 14/15 Proposed Budget appropriates 100% of the Measure O sales tax revenues to the ballot's stated priorities. This includes funding for over \$504,000 in Capitola Improvement Program (CIP)/street projects and \$447,700 to reestablish reserves.

While the FY 14/15 Budget is balanced in terms of on-going expenditures and revenue, the Budget also includes a proposed \$475,000 distribution of the projected FY 13/14 operating surplus. During the budget hearing process, staff and the Finance Advisory Committee will present recommendations on potential uses of the of the prior year surplus. These recommendations will include:

- Funding for capital improvement projects;
- Allocating to reserve funds; and
- Establishing a Facility Reserve Fund.



With the Measure O contribution and a proposed appropriation from the General Fund surplus, the blended reserve balances will be at 94% or within \$172,000 of the \$3 million policy target.

The next Budget Study Session will be held on Thursday, May 29, 2014, at 6 PM. The agenda items will include Community Based Health and Human Services Provider presentations.

ATTACHMENTS

1. The Proposed FY14-15 and FY15-16 Budget is available online at <http://www.cityofcapitola.org/finance/page/budgets>

Report Prepared By: Jamie Goldstein, City Manager
Tori Hannah, Finance Director

Reviewed and Forwarded
By City Manager:

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