

# City of Capitola Agenda

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



**SPECIAL JOINT MEETING**  
**CAPITOLA CITY COUNCIL/SUCCESSOR AGENCY**  
**TO THE FORMER REDEVELOPMENT AGENCY**  
**JOINT BUDGET STUDY SESSION**  
**WEDNESDAY, MAY 22, 2013**  
**6:00 PM**  
**CITY HALL COUNCIL CHAMBERS**  
**420 CAPITOLA AVENUE, CAPITOLA, CA 95010**

*All matters listed on the Special Meeting of the Capitola City Council Agenda shall be considered as Public Hearings.*

**1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

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

**2. 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 2013/2014 Fiscal Year Budget for the City of Capitola General Fund, the Capitola Successor Agency, and an overview of the Capital Improvement Program.

**3. ADJOURNMENT**

Adjourn to the next Regular Meeting of the City Council on Thursday, May 23, 2013 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 on the Internet at the City's website: [www.ci.capitola.ca.us](http://www.ci.capitola.ca.us). Agendas are also available at the Capitola Post Office located at 826 Bay Avenue, Capitola.

**Agenda Document Review:** The complete agenda packet is available at City Hall and at the Capitola Branch Library, 2005 Wharf Road, Capitola, on the Monday prior to the Thursday meeting. 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 replayed at 12:00 Noon on the Saturday following the meetings 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.ci.capitola.ca.us](http://www.ci.capitola.ca.us) by clicking on the Home Page link "View Capitola Meeting Live On-Line." Archived meetings can be viewed from the website at anytime.



## CITY COUNCIL/SUCCESSOR AGENCY TO THE FORMER RDA AGENDA REPORT SPECIAL MEETING OF MAY 22, 2013

FROM: CITY MANAGER / FINANCE DEPARTMENT

SUBJECT: PROPOSED FISCAL YEAR 2013/14 AND FISCAL YEAR 2014/15 BUDGET FOR THE CITY AND THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY (RDA)

**RECOMMENDED ACTION:** Receive the Proposed Fiscal Year (FY) 13/14 and Planned FY 14/15 Budget for the City and Successor Agency to the former Redevelopment Agency and Provide staff direction.

**DISCUSSION:** The City of Capitola Proposed FY13/14 and FY14/15 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 13/14 Proposed Budget appropriates 100% of the Measure O sales tax revenues to the ballot's stated priorities. This includes funding for over \$490,000 in CIP/street projects and \$463,300 to increase reserves.

The FY 13/14 Budget does not include expenditures related to the \$1.35 million Pacific Cove pipe failure insurance settlement. During the budget hearing process, staff and the Finance Advisory Committee will present recommendations on the following alternative uses of the settlement funds:

- Prepayment of debt obligations
- Allocations to reserve accounts; and
- Funding for Capital improvement projects

With the Measure O contribution combined with a percentage of the settlement funds, the blended reserve balances will be within 70-80% of their \$3 million target.

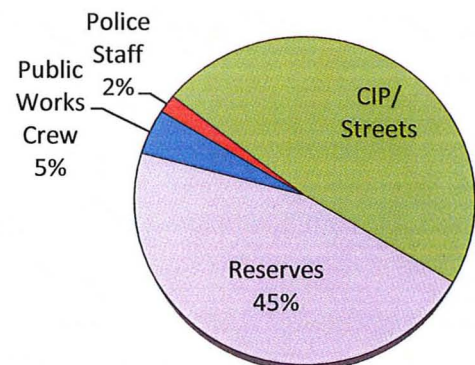
The next Budget Study Session will be held on Thursday, May 30, 2013, at 6 PM. The agenda items will include Finance Advisory Committee recommendations and Community Based Health and Human Services Provider presentations.


### **ATTACHMENTS**

1. The Proposed FY13-14 and FY14-15 Budget is available online at <http://www.ci.capitola.ca.us/capcity.nsf/CtyAdFinance.html>

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

**Measure O Expenditures**



Reviewed and Forwarded  
By City Manager: 

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