

AGENDA ITEM 1(b)

TOWN OF SAN ANSELMO STAFF REPORT June 15, 2004

For the Meeting of June 22, 2004

TO: Town Council

FROM: Janet Pendoley, Finance & Administrative Services Director

SUBJECT: Revenue and Expenditure Report, May 2004

RECOMMENDATION

That Council approve the Revenue and Expenditure Report for the period ending May 31, 2004.

BACKGROUND

The Revenue and Expenditure report is a year-to-date summary report of revenues and expenditures that is presented to the Town Council on a monthly basis. The General Fund is included in the monthly report. The purpose of these reports is to present financial information for review and discussion.

ANALYSIS

The revenue and expenditure data as of May 31st reflects financial activity transacted during 91.7% of the budget year. Revenue received, at 88%, is 3% below the level for this period last fiscal year. Revenue reflects the normal lag in receipt of periodic payments and includes the following items of note:

- Property tax distributions, at 92% of budget, are 1% above last fiscal year, primarily due to earlier receipt of cable and utility franchise fees.
- Sales Tax revenue at 75%, reflects a one month lag and as such is off the budget target (83%) by 8% or \$83,300.
- As noted in previous reports, the impact of the State Budget's "trigger gap" of the Motor Vehicle License Fees, originally estimated at \$146,540 and subsequently revised to \$225,000, was implemented entirely in the first four months of the fiscal year, which resulted in lower than normal receipts.
- LAIF investment returns continue to be very disappointing. Interest earnings for the quarter ending March 31st were at the apportionment rate of 1.48% and have currently slipped to 1.426%. Staff anticipates a fiscal year loss of \$65,000 from this source.

Expenditures, at 89%, are 2% below last fiscal year and are stable level across major categories presented on page 1 of the report. Department expenditures presented on page 2 of the report reflect staff's continuing efforts to conserve resources during this financially uncertain time, particularly in the areas of supplies, training and maintenance expense. Departmental items of note include:

- Legal Services expenditures (at 101%) reflect payment for litigation services incurred during the first 9 months (75%) of the fiscal year only.
- Town Council expenditures (at 101%) reflect annual election costs as well as the cost of hosting the MCCMC dinner in January 2004. In addition, this department budget was reduced to reflect the Council's voluntary suspension of their monthly stipends.

BUDGET REVISIONS:

The following budget revisions were made during this report period:

- \$2,000 budget increase in the General Fund revenue and expenditure budgets to recognize receipt of a Marin County grant to the Police Department for the purpose of publishing their Annual Report. This revision has no impact on the General Fund's reserve.
- \$412 budget increase in the General Fund revenue and expenditure budgets to recognize receipt of donations to the Library Department designated for the purchase of library materials. This revision has no impact on the General Fund's reserve.
- \$1,244 budget increase in the Insurance Fund revenue and claims reserve budgets to recognize receipt of refunds from prior years' premiums from the Bay Cities Joint Powers Insurance Authority. To the extent that current year claims do not require the use of these funds, this revision will increase the Insurance Fund's year end reserve in the amount of \$1,244.
- \$230,178 budget increase in the Traffic Congestion Relief Fund revenue and expenditure budgets to recognize award of the Federal grant STPL-X 5159-7 for engineering and construction costs related to the Rail and Walkway project on Sir Francis Drake. This revision has no impact on the Traffic Congestion Relief Fund's reserve. However, in accepting the grant, the Town has committed a local match in the amount of \$29,822 which will reduce the Measure G Bond Proceeds Fund's reserve by that amount.

CONCLUSION

In reviewing the financial data particularly as it compares to the prior year, the Town's revenue collections and spending levels appear to be within reasonable ranges for this report period.

In comparison to the previous fiscal year revenue continues to lag behind by 3% due primarily to the uncertain Sales Tax collections, interest earnings and the MVLFF situation. Expenditures continue at 2% lower than last year's. These numbers confirm that at best the current year budget is very tight and may not result in the excess carryover revenue available in past years for funding capital and equipment items.

Respectfully submitted,

Janet Pendoley, Finance and Administrative Services Director

Attachment #1: Revenue and Expenditure Report, May 2004

AGENDA ITEM 1(c)

**TOWN OF SAN ANSELMO
Staff Report
June 16, 2004**

For the meeting of June 22, 2004

TO: Mayor and Town Council Members
FROM: Ron Little, Recreation Director
SUBJECT: FINANCIAL REPORT ON RECREATION FUND

RECOMMENDATION

That Council approve the Recreation Fund Revenue and Expenditure Report for the period ending May 31, 2004.

BACKGROUND

The Recreation Department offers a wide array of programs throughout the year. Most of the programs and classes are of a seasonal nature. Revenues are usually collected in advance, with expenditures following after a lag.

DISCUSSION

As we approach the end of the 2003-2004 fiscal year, the Revenue Fund is well-positioned to finish with a positive fund balance.

As of May 31, 2004, actual revenues generated by Recreation programs/classes/etc. represent 97% of budgeted revenues. Actual expenditures represent 87% of budgeted expenses.

Compared with last fiscal year (2002-2003) at this time, current YTD revenues represent an increase of 5% while current YTD expenditures represent a 7% decrease.

Respectfully submitted,

Ron Little
Recreation Director

AGENDA ITEM 1(d)

**TOWN OF SAN ANSELMO
STAFF REPORT
March 16, 2004**

For the meeting of March 23, 2004

TO: Town Council

FROM: George Davison, Project Manager

SUBJECT: Resolution of Intent to abandon a portion of Scenic Avenue Right-of Way,
at 515 Scenic Ave.

RECOMMENDATION

That the Council adopt the attached Resolution of Intent to abandon a portion of Scenic Avenue Right-of-Way. This Resolution sets the public hearing for the abandonment for your meeting of April 13, 2004.

BACKGROUND

The dwelling at 515 Scenic Ave. has, for many years, encroached about six feet into the

right-of way. Over the years, with setback variances, it has been upgraded and remodeled from the original dwelling. The topography of the property and right-of-way frontage is steeply downsloping, such that it would be impractical to ever widen Scenic Avenue more than a few feet. The right-of-way is 40 feet wide, but we have a number of streets, including the adjacent Canyon Road, existing satisfactorily within 30-foot rights-of-way.

A similar proposal to this one was made in the early 1980's by a previous owner which also included land to be abandoned within the hairpin of Canyon Road. That proposal was rejected largely due to the uncooperativeness of the owner. It was also felt that we should not abandon the portion by Canyon Road.

CURRENT STATUS

The current owner, Michael Whyte, has formally requested that the Town abandon the abutting 10-foot width of right-of-way across the front of the property. In return he will pay a sum of money-negotiated with the Town Administrator-for the net area of 678 square feet, after deducting a small parcel to be deeded to the Town along Canyon Road.

DISCUSSION

Mr. Whyte is considering selling the property. Land title companies today are looking very closely at encroachments such as exist here, and it could affect his ability to sell the property. The Town has, in the past twenty years, made at least one similar abandonment at the corner of Scenic and Humboldt Avenues. In this case, it will establish a setback of about four feet to the front of the house, and line up with the existing fence on the left end.

REQUESTED ACTION

Adopt the Resolution as indicated above. Assuming the abandonment is approved after the hearing, you will be asked to authorize the Mayor to execute a Quitclaim Deed in favor of the owner. (The Town does not own fee title to the right-of-way. The owner will have to establish full legal title with legal assistance.) An escrow will be set up to handle the transaction at the owner's expense.

Respectfully submitted,

George Davison,
Project Manager

Attachments: Resolution
Map

cc: Michael Whyte

**TOWN OF SAN ANSELMO
RESOLUTION NO. _____**

***ACCEPTING EASEMENT GRANT DEED FROM J. MICHAEL
WHYTE AND
CHERYL L. WHYTE FOR ROAD AND UTILITY EASEMENT ON CANYON ROAD
AT SCENIC AVENUE.***

Whereas, J. Michael Whyte and Cheryl L. Whyte have agreed to convey an easement for road and utility purposes to the Town; and

Whereas, an Easement Grant Deed will be deposited into escrow from said Grantees.

Now Therefore Be It Resolved that the Town Council of the Town of San Anselmo does hereby accept the Easement Grant Deed to be executed by J. Michael Whyte and Cheryl L. Whyte, and authorize it to be recorded at the same time as the Quitclaim Deed from the Town to the Whytes.

I hereby certify that the foregoing Resolution was adopted at a regular meeting of the San Anselmo Town Council held on the 22nd day of June, 2004, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Paul Chignell, Mayor

ATTEST:

Barbara Chambers, Town Clerk

**TOWN OF SAN ANSELMO
RESOLUTION NO. _____**

AUTHORIZING CONVEYANCE OF VACATED PORTION OF SCENIC AVENUE RIGHT-OF-WAY AT 515 SCENIC AVENUE, AND AUTHORIZING THE MAYOR TO EXECUTE A QUITCLAIM DEED

Whereas, on April 13, 2004, the Town Council adopted Resolution No. 3686, ordering the vacation of a portion of Scenic Avenue right-of-way, abutting 515 Scenic Avenue; and

Whereas, said portion of right-of-way is surplus to Town's needs, and the abutting property owners have agreed to purchase all Town's right, title and interest in and to said portion, and to also grant to the Town a road and utilities easement over another portion of their property.

Now, Therefore, Be It Resolved that the Town Council of the Town of San Anselmo does hereby authorize conveyance of the aforementioned parcel by Quitclaim Deed to J. Michael Whyte and Cheryl L. Whyte.

Be It Further Resolved that the Mayor is hereby authorized and directed to execute said Quitclaim Deed.

I hereby certify that the foregoing Resolution was adopted at a regular meeting of the San Anselmo Town Council held on the 22nd day of June, 2004, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Paul Chignell, Mayor

ATTEST:

Barbara Chambers, Town Clerk

AGENDA ITEM 1(e)
PROCLAMATION OF THE TOWN OF SAN ANSELMO
DECLARING THE MONTH OF JULY, 2004
RECREATION AND PARKS MONTH

Whereas, the Parks and Recreation profession in California "Creates Community through People, Parks and Programs"; and

Whereas, our parks help to preserve and protect the natural and cultural resources of California; and

Whereas, Parks and Recreation services support more productive workforces, enhance the desirability of locations for business and families, and stimulate tourism revenues to increase a total community development model; and

Whereas, Parks and Recreation strengthens community image and sense of place, and increases cultural unity; and

Whereas, Parks and Recreation promotes health and wellness and reduces health care costs; and

Whereas, Parks and Recreation fosters human development, helping young people develop and grow into healthy adults, and helping adults continue to live longer; and

Whereas, Parks and Recreation facilitates community problem solving; and

Whereas, Parks and Recreation strengthens safety and security and reduces juvenile crime; and

Whereas, as hundreds of California children, adults and seniors benefit from the wide range of services, facilities and programs provided by the San Anselmo Parks and Recreation Departments;

Now, Therefore Be It Resolved the Town of San Anselmo urges all residents to enjoy and recognize the social, physical, mental, economic, environmental and community benefits derived from our Parks and Recreation Departments, which provide something of value to everyone, and recognize July as “Recreation and Parks Month”.

Paul Chignell, Mayor
June 22, 2004

AGENDA ITEM 1(f) - CONTINUED TO THE MEETING OF JULY 13, 2004.

AGENDA ITEM 2

**TOWN OF SAN ANSELMO
STAFF REPORT**

June 15, 2004

For the meeting of June 22, 2004

TO: Town Council
FROM: Debra Stutsman, Town Administrator
SUBJECT: Transportation Sales Tax Expenditure Plan

A. RECOMMENDATION

That Council adopt the resolution approving the Transportation Sales Tax Expenditure Plan.

BACKGROUND

On March 9, 2004 the Council heard a presentation from the Marin County Congestion Management Agency (CMA) staff regarding the proposed expenditure plan for the half cent Transportation Sales Tax proposed for the November 2, 2004 ballot. Since that time, the CMA has become the Transportation Authority of Marin (TAM). The Marin County Board of Supervisors and TAM have met several times to further refine the expenditure plan based on feedback from the City/Town Councils and public opinion poll results. TAM staff will present a brief summary of the Final Plan.

In order for TAM to place the sales tax on the November 2nd ballot, the Board of Supervisors and a majority of the City/Town Councils in Marin (representing a majority of residents) must approve the Final Plan. That threshold has already been met.

Respectfully submitted,

Debra Stutsman
Town Administrator

A RESOLUTION OF THE TOWN COUNCIL OF THE
TOWN OF SAN ANSELMO
APPROVING THE MARIN COUNTY
FINAL TRANSPORTATION SALES TAX EXPENDITURE PLAN

SECTION 1. FINDINGS

Whereas the Town Council of the Town of San Anselmo does hereby find and declare the following:

- I. Pursuant to California Public Utilities Code Section 180206(a), the Transportation Authority of Marin ("TAM"), comprised of the Marin County Board of Supervisors and one representative from each Marin City and Town Council, approved a Final Transportation Sales Tax Expenditure Plan ("Final Plan") on May 6, 2004 to

present to the Board of Supervisors and Marin City and Town Councils for approval.

- II. Pursuant to California Public Utilities Code Section 180206(b), before TAM can adopt the Final Plan and request the Board of Supervisors to place a transportation sales tax measure on a ballot, the Final Plan shall be approved by the Board of Supervisors and a majority of the City and Town Councils representing a majority of the incorporated population of Marin.
- III. If the Final Plan is approved by the Board of Supervisors and the majority of the City and Town Councils representing the majority of the incorporated population within Marin, TAM can then adopt an ordinance that incorporates the Final Transportation Sales Tax Expenditure Plan and request the Board of Supervisors to place a one-half cent transportation sales tax measure on the November 2, 2004 ballot for consideration by the Marin electorate. Being a special tax, the ballot measure would require 2/3-voter approval in order to pass.
- IV. The Final Plan has been shaped by more than four years of planning and outreach, including recent, extensive feedback from all City and Town Councils and many stakeholder groups on the draft plan, and the implementation of transportation programs and projects outlined the Final Plan would benefit the citizens of Marin County.

SECTION 2. RESOLUTION

Now, therefore, based on the findings contained in Section 1 above, the Town Council of the Town of San Anselmo does hereby resolve to approve the Marin County Transportation Sales Tax Expenditure Plan, labeled "Approved Final Plan," as approved by the Transportation Authority of Marin on May 6, 2004.

SECTION 3. VOTE

PASSED AND ADOPTED at a regular meeting of the San Anselmo Town Council, State of California, held on the 22nd day of June, 2004 by the following vote to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Chignell, Mayor

ATTEST:

Barbara Chambers, Town Clerk

AGENDA ITEM 3

TOWN OF SAN ANSELMO STAFF REPORT

June 15, 2004

For the meeting of June 22, 2004

TO: Town Council

FROM: Debra Stutsman, Town Administrator

SUBJECT: Historical Mosaic Obelisk

B. RECOMMENDATION

That Council consider approval of the placement of the mosaic obelisk in the garden area in front of the downtown Fire Station at 777 San Anselmo Avenue.

BACKGROUND

San Anselmo artists Linda Weill and Quintilia Nylin are proposing a public art piece that depicts a visual history of the town of San Anselmo. The project would feature the art of mosaics and ceramic handmade tiles to adorn an 8 ½ foot tall obelisk. The design features the San Anselmo creek, the Northern Pacific Coast Railroad, early architectural landmarks, Bald Hill and Red Hill.

Local school children would have the opportunity to participate in designing ceramic animals, plants and architectural features, as well as filling in the broken tile background. The Recreation Department has agreed to offer after school classes and integrate mosaic workshops with the 2004 summer day camp program. Hundreds of children and teens would experience the ancient art of mosaics. The project is planned to be completed by late autumn 2004.

Council reviewed several possible locations at the meeting of February 10, including the town Hall lawn, Ross Valley Fire Station 19 garden area, Creek Park and the corner of Pine Street and San Anselmo Avenue.

DISCUSSION

The primary funding for the piece includes brick name tiles that participants or community members may purchase. The tiles would be around the base of the obelisk. In addition, the artists have received a \$5,000 Marin Arts Council Grant.

The artists suggest that the obelisk be located in the garden area in front of the downtown fire station at 777 San Anselmo Avenue. A full-sized mockup of the proposed obelisk was photographed in the proposed location and copies of the photos are attached. The photos have been circulated to the firefighters and other staff members for comment. Neighbors within 300' of the fire station were notified of tonight's meeting. In addition, the mock-up is set up at the fire station today for viewing.

ANALYSIS

Resolution 3580 sets guiding procedures for the selection and placement of art in public places. The resolution sets out the following guidelines for review of public art projects:

- The art piece is appropriate for the community.
- The art piece is not perceived as offensive.
- The art piece has an appropriate scale for the intended location.
- The art piece is not hazardous to public safety.

The proposed art piece depicts the history of San Anselmo and is considered appropriate for the community.

The obelisk shape comes from ancient Egyptians who used obelisks to decorate their temples. A comment was received from a community member who found the shape inappropriate for a public art piece, in that he perceived it to be a religious and political symbol.

The obelisk is 8 ½ feet tall. The fire station is a two-story structure and as such, the obelisk would not be out of scale with the structure. However, some staff comments have centered on its height in general in proportion to the garden, as well as the downtown area.

The Public Works Director has reviewed the plans for erecting the obelisk and will ensure that it is engineered properly, so as not to be a hazard.

CONCLUSION

Public art can often be controversial in that community members' opinions may run the gamut from very supportive to oppositional. Both artists have commented to staff that art is very personal and they recognize that there may be some negative comments along with the considerable positive and supportive feedback.

Respectfully submitted,

Debra Stutsman
Town Administrator

C: Linda Weill

Attachments: Photos of mock-up at Fire Station
Description of project
300' notice
Resolution 3580

AGENDA ITEM 4

TOWN OF SAN ANSELMO
TOWN COUNCIL STAFF REPORT
For the meeting of 6-22-04

DATE: 6-15-04

TO: Mayor and Council Members

FROM: Rabi Elias, Public Works Director

SUBJECT: Measure G 03-04 Improvements. Approve plans and authorize soliciting bids.

RECOMMENDATION

Approve plans and authorize soliciting bids for the following 03-04 Measure G pavement and drainage projects:

Group A:

Sir Francis Drake Blvd. at Ross Ave. and Bolinas Ave. repair pavement.

San Francisco Blvd. at Alderney Rd. repair drainage.

Hillside Ave. overlay.

City Hall Ave. overlay.

Sturdivant Ave. from No. 120 to Woodruff Rd. overlay.

Sturdivant Ave. from Prospect Ave. to Woodruff Rd. overlay.
Alta Vista overlay.
Canyon Rd. overlay.
Timothy Rd. from No. 18 to No. 24 overlay.

Group B:

Hillside Ave. construct guardrail.
Sturdivant Ave. construct retaining wall.
San Francisco Blvd. construct ADA curb ramps.
Alta Vista replaces drainage pipe.

Group C.

Sunnyside Ave. repair drainage.
Grove Lane modify drainage.
Laurel Ave. repair pavement.
Floribel Ave. at Scenic Ave. modify drainage.

BACKGROUND AND DISCUSSION

Group A.

The Town Council at the meeting of 2-10-04 approved the 03-04 Measure G projects as indicated in group A. Elm Ave. at San Anselmo Ave. drainage repair is in the design process and is not included in this group.

Group B.

While considering the various projects it became apparent that other work incidental to group A had to be done which is indicated in group B.

Group C

Additional pavement and drainage repair work at various locations has to be done and would be economically wise to include in this contract. These are projects that were not programmed in 03-04 but have to be done in order to avoid problems as follows:

- Sunnyside Ave. at Austin Ave. part of the system has been abandoned. Drainage structures protrude in path and right of way creating trip hazards.
- Grove Lane at San Rafael Ave. ponding occurs at curb ramp making it hard for pedestrians to cross and the water becomes stagnant. A simple solution as part of the pavement work performed last year did not work.
- Laurel Ave. the pavement is badly deteriorated at several locations and has to be repaired before it unravels.
- Floribel Ave at Scenic Ave. storm waters running down on Scenic jumps its course causing yearly damage to No. 99 Scenic.

FISCAL IMPACT

Group A

Engineer's estimate	\$251,000
Measure G resurfacing and construction 03-04	\$251,000

Group B.

Engineer's estimate	\$ 44,400
Transfer from Measure G fund	\$ 44,400

Group C.

Engineer's estimate	\$ 78,600
Transfer from Measure G fund	\$ 78,600

AGENDA ITEM 5

**TOWN OF SAN ANSELMO
STAFF REPORT**

May 14, 2004

For the Meeting of June 22, 2004

TO: Town Council

FROM: Tom Bell, Planning Director

SUBJECT: Appeal of Planning Commission's approval of a variance to add a 400 square foot garage within 1'-0" of the northwest side property line (Code: 8') located within the R-1 zoning district.

RECOMMENDATION

That the Town Council uphold the Planning Commission's conditional approval.

APPLICANT: Thomas Hildebrand

APPELLANTS: Clark and Jill White

BACKGROUND: April 19, 2004, Planning Commission conditionally approved project (4:1 ayes: House, Jochum, Fernandez, Sisich; noes: Harris)

REASON FOR APPEAL

The Whites own the adjacent property located at 1324 San Anselmo Avenue. They oppose the location of the garage within 1'-0" of the side property on the basis they will not be able to maintain their garage that is located along the shared property line. They are also concerned about potential fire safety issues due to proposed the close proximity of the two garages. They arrived late for the hearing and were not able to state their concerns because a decision had already been reached by the Commission.

COMMISSION DECISION

The Commission discussed the location of the garage to the side property line and were able to make the findings of special circumstances based on the narrowness of the lot, the location of the mature wisteria, and that the location would allow additional off-street parking and would be a benefit to the neighborhood.

The Commission also suggested that the owner consider moving the garage over one or two feet for maintenance purposes.

RECOMMENDATION

To uphold the Planning Commission decision of conditional approval.

Attachments: Notice of Appeal
April 19, 2004 Staff Report
Plans date stamped Received 2/23/04
Minutes of April 19, 2004

AGENDA ITEM 6

TOWN OF SAN ANSELMO
STAFF REPORT
June 15, 2004

For the meeting of June 22, 2004

TO: Town Council

FROM: Debra Stutsman, Town Administrator

SUBJECT: Public Opinion Poll and Municipal Services Tax

RECOMMENDATION

That Council:

- a) Receive the results of the Public Opinion Poll conducted by Evans McDonough
- b) Consider directing staff to begin preparation for a ballot measure on the November 2, 2004 ballot.
- c) If Council chooses to direct staff to prepare for a ballot measure, approve resolution declaring a fiscal emergency.

BACKGROUND

At the meeting of May 11, 2004 Council directed staff to contract with Evans McDonough to conduct a public opinion poll to assess voter support for an increase to the Town's current Municipal Services Tax of \$78 per living unit and per 1,500 square feet of structure of nonresidential use. Council appointed Councilmember Thornton and Vice-Mayor Breen to work with staff and the consultant on the poll. The poll was conducted June 6-8 and 400 residents were interviewed. Ruth Bernstein of Evans McDonough will present the results of the poll.

DISCUSSION

After hearing the poll results, Council has two options:

- Direct staff to prepare for a ballot measure to increase the Municipal Services Tax for the November 2, 2004 ballot.
- Choose not to go forward with a Municipal Services Tax increase.

Should Council decide to go forward with a Municipal Services Tax increase in November, the attached resolution declaring a fiscal emergency must be passed with a unanimous vote.

The following is a calendar for the November 2 election;

August 6, 2004	Last day to submit resolution for election and exact ballot wording
August 16, 2004	Last day to submit ballot arguments.
August 26, 2004	Last day to submit rebuttal arguments

Respectfully submitted,

Debra Stutsman
Town Administrator

Attachment: Presentation of Opinion Research, Evans McDonough

AGENDA ITEM 7

TOWN OF SAN ANSELMO STAFF REPORT

June 15, 2004

For the meeting of June 22, 2004

TO: Town Council
FROM: Debra Stutsman, Town Administrator
SUBJECT: 2004-05 Proposed Budget

RECOMMENDATION

That Council provide direction to staff regarding preparation of the 2004-05 proposed budget document.

BACKGROUND

Council directed staff to bring forward the 2004-05 proposed budget at the regular Town Council meeting of July 27, 2004. Staff projects a \$1 million shortfall of projected expenditures over projected revenues in the upcoming fiscal year. In order to balance the budget, direction is needed from Council.

DISCUSSION

Staff has identified five avenues for achieving the budget reduction:

- Revenue enhancement
- Personnel reductions
- Employee pay and schedule reductions
- Cuts to non-personnel items

- Use of one-time money

Revenue Enhancement

Possible increases include increasing Planning fees (\$70,000), a business license administrative fee (\$30,000), implementing a garbage impact fee (\$50,000) and putting parking meters in Town lots (\$40,000-\$100,000).

Personnel Reductions

In order to balance the 03-04 budget, 6.5 positions were left unfilled: Town Clerk/HR Analyst, Maintenance Worker I (2), Police Officer, Police Dispatcher, Administrative Assistant I and the Parks Janitor (half time). Ten per cent of the Town's staff positions are thus vacant, and the result has been a reduction in services. Additional personnel reductions will reduce services further. Should Council choose to direct staff to reduce personnel, staff recommends that it set a target dollar figure for personnel reductions and indicate which departments should be reduced.

Employee Pay/Schedule Reductions

Options in this category include furloughing non-safety employees 1 day per month (\$110,000), a salary reduction for managers and confidential employees (\$60,000 - \$130,000) and negotiating with unions for employees to pay a portion of the employee share of retirement costs (\$170,000).

Cuts to Non-Personnel Items

Further shaving annual funding could reduce the budget by as much as \$80,000. This would entail further reducing department budgets that have had no increase in the last two years, as well as eliminating some community contributions, the Art and Historical Commission stipends, the promotion of commerce line item and the volunteer brunch.

Use of One-time Money

Options in this category include utilizing the \$200,000 General Fund contribution to the Road Maintenance Fund for routine expenditures, in that we are completing the 2003-04 Measure G projects this fall. In addition, Council could choose to expend the \$400,000 that is in the Road Maintenance Fund from 2002-03 and 2003-04 General Fund

contributions. Finally, the Town has an undesignated reserve of \$.7 million and the Council could choose to use \$300,000 to balance the budget. Staff does not recommend utilizing any more from the reserve as it is important to maintain the balance in case of emergency.

CONCLUSION

With the second year of funding deficits upon us, there are no easy answers for balancing the budget. The Department Management staff and all the Town's employees have put forth a heroic effort in the last year to keep expenditures to a minimum and maintain services at an acceptable level. Staff continues to be committed to serving the residents of San Anselmo.

Respectfully submitted,

Debra Stutsman
Town Administrator

Copy: Department Managers