TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: ADMINISTRATIVE SERVICES
DATE: FEBRUARY 19, 2008 CMR: 151:08

SUBJECT: FINANCE COMMITTEE RECOMMENDATION REGARDING MIDYEAR CHANGES TO THE 2007-08 MUNICIPAL FEE SCHEDULE, INCLUDING ADOPTION OF NEW FEES, AND INCREASING EXISTING FEES, RATES OR ASSESSMENTS; ADOPTION OF: (1) BUDGET AMENDMENT ORDINANCE AMENDING THE BUDGET FOR THE FISCAL YEAR 2007-08 TO ADJUST BUDGETED REVENUES AND EXPENDITURES IN ACCORDANCE WITH THE RECOMMENDATIONS IN THE MIDYEAR REPORT; (2) RESOLUTION AMENDING THE COMPENSATION PLAN FOR MANAGEMENT AND PROFESSIONAL PERSONNEL AND COUNCIL APPOINTEES ADOPTED BY RESOLUTION NO. 8748 TO ADD TWO NEW CLASSIFICATIONS; AND (3) RESOLUTION AMENDING THE COMPENSATION PLAN FOR THE SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU) ADOPTED BY RESOLUTION NO. 8658 TO ADD ONE NEW CLASSIFICATION

RECOMMENDATION
The Finance Committee recommends that Council:
1. Adopt a Budget Amendment Ordinance, (Attachment 2) which includes:
   a. Proposed midyear adjustments to the 2007-08 Budget for the General Fund, Enterprise Funds, Special Revenue Funds, Internal Service Funds, and Capital Improvement Fund.
   b. New or amended 2007-08 Capital Improvement Program project descriptions.
   c. Amendments to the 2007-08 Adopted Municipal Fee Schedule.
   d. Amendments to the 2007-08 Table of Organization.

2. Adopt Resolution amending the 2007-08 Management/Professional Compensation Plan (Attachment 4 to CMR 132:08); and

3. Adopt Resolution Amending SEIU Compensation Plan (Attachment 4)

COMMITTEE REVIEW AND RECOMMENDATIONS
On February 5, 2008 the Finance Committee reviewed the 2007-08 Adjusted Budget-Second Quarter Financial Results, Midyear Amendments and Capital Improvement Program Status. The
Finance Committee’s review included questions about the Transit Occupancy Tax increase calculation and the historical levels of the Budget Stabilization Reserve.

Also at the February 5, 2008 meeting, staff presented an additional position reclassification to the Finance Committee-(Attachment 3). Given this change, the Budget Amendment Ordinance (BAO) was revised – (Attachment 2). Additionally, a resolution to amend the compensation plan for the Service Employees International Union is also attached – (Attachment 4).

The Committee voted unanimously to accept staff’s recommendation.

PREPARED BY: DAVID RAMBERG
Budget Manager

DEPARTMENT HEAD APPROVAL: LALO PEREZ
Director, Administrative Services

CITY MANAGER APPROVAL: EMILY HARRISON
Assistant City Manager

ATTACHMENTS
Attachment 1: CMR 132:08
Attachment 1: Amendment Ordinance with the following exhibits;
Exhibit A  Fund Summaries and detail changes to the General Fund, Enterprise Funds, Special Revenue Funds, Internal Service Funds, and Capital Improvement Fund.
Exhibit B  2007-08 Midyear CIP Adjustments
Exhibit C  Amendments to the 2007-08 Adopted Municipal Fee Schedule
Exhibit D  Amendments to the 2007-08 Table of Organization
Attachment 2: 2007-08 Midyear Capital Improvement Program Projects Status
Attachment 3: List of Continuous Capital Projects
Attachment 4: Resolution of the Council of the City of Palo Alto amending the Compensation Plan for Management and Professional Personnel and Council Appointees Adopted by Resolution No. 8748 to add two new classifications
Exhibit A:  2007-08 Compensation Plan Changes for Management/Professional Personnel
Attachment 2: Revised Budget Amendment Ordinance (BAO)
Attachment 3: At Places Memo
Attachment 4: Resolution of the Council of the City of Palo Alto Amending the Compensation