

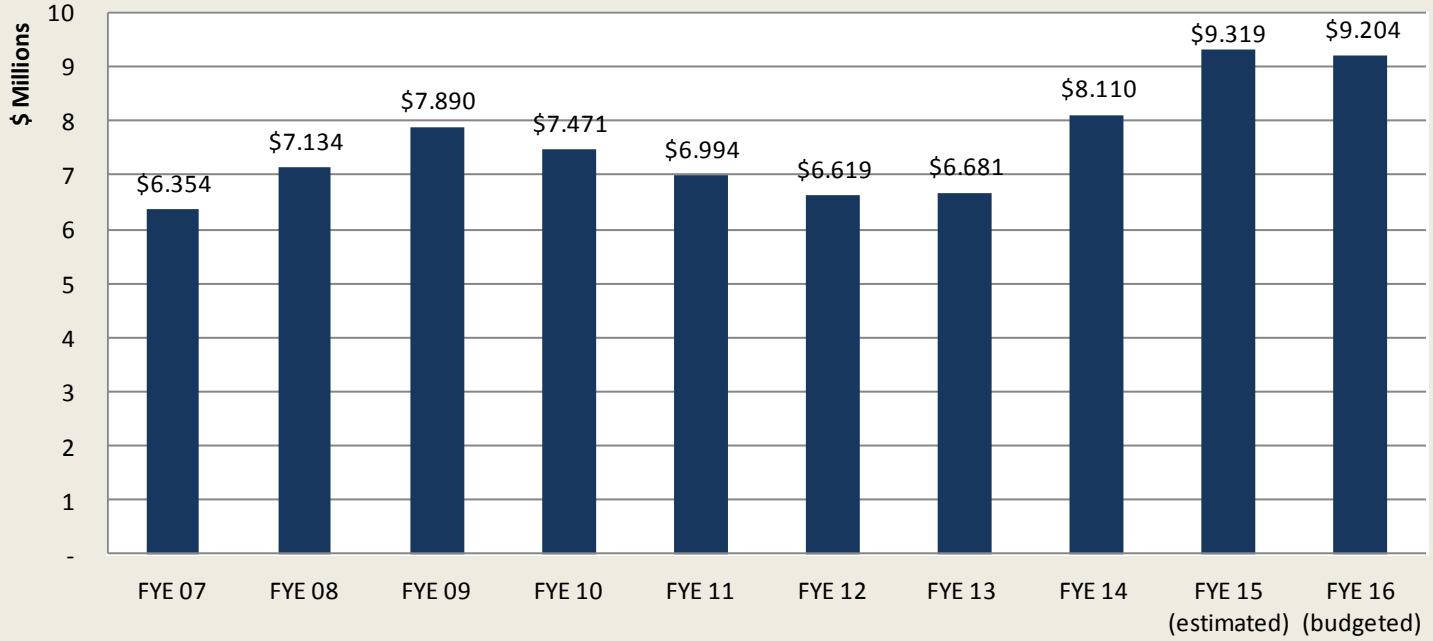
# TOWN OF ROSS BUDGET

FISCAL YEAR ENDED JUNE 30, 2016

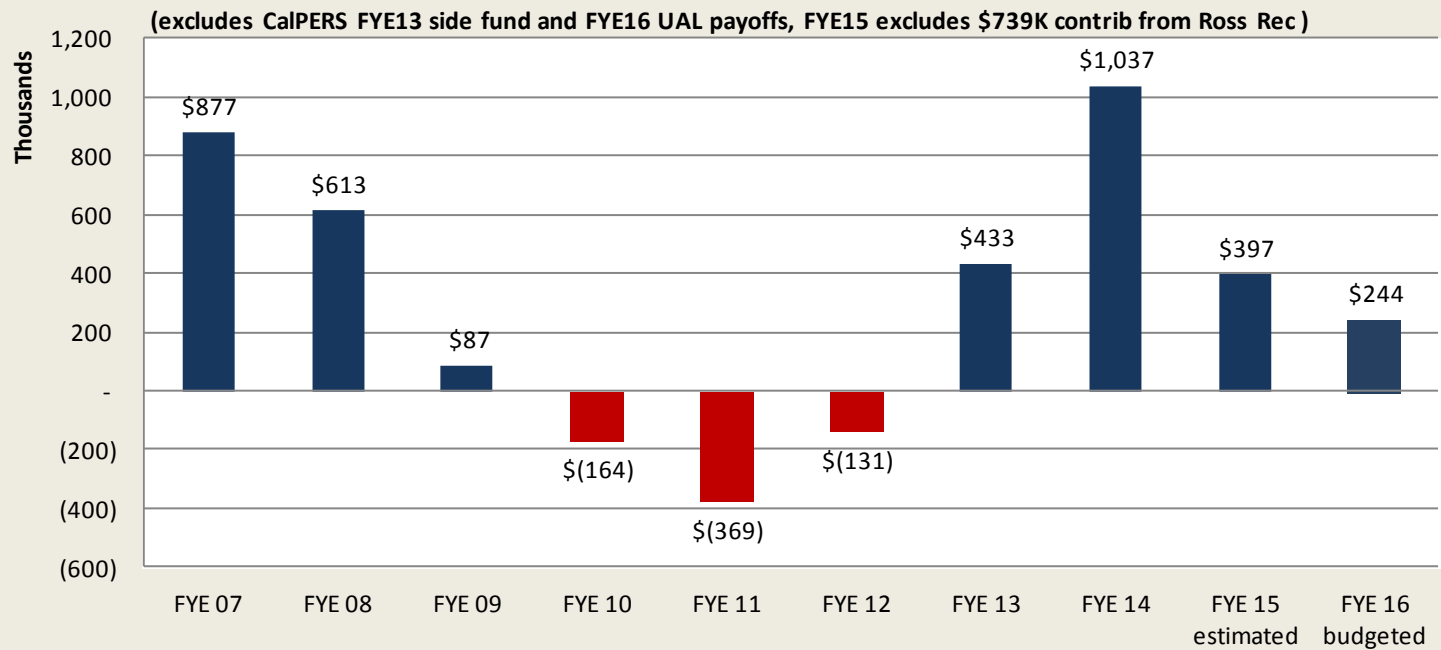
# FUNDS

- **General Fund**
  - Operating Fund
  - Recreation Fund
  - Facilities and Equipment Fund
  - Legal Defense Fund
  - Emergency Fund
- **Special Revenue Funds** (can only be spent for specific purposes imposed by others or by law)
  - Gas Tax
  - Roadway Impact
  - Drainage Impact
  - Public Safety Tax
  - COPS
  - General Plan Update

# TOTAL FUND BALANCES All Funds



## GENERAL FUND + PUBLIC SAFETY TAX FUND Excess (Deficiency) of Revenues over Expenditures

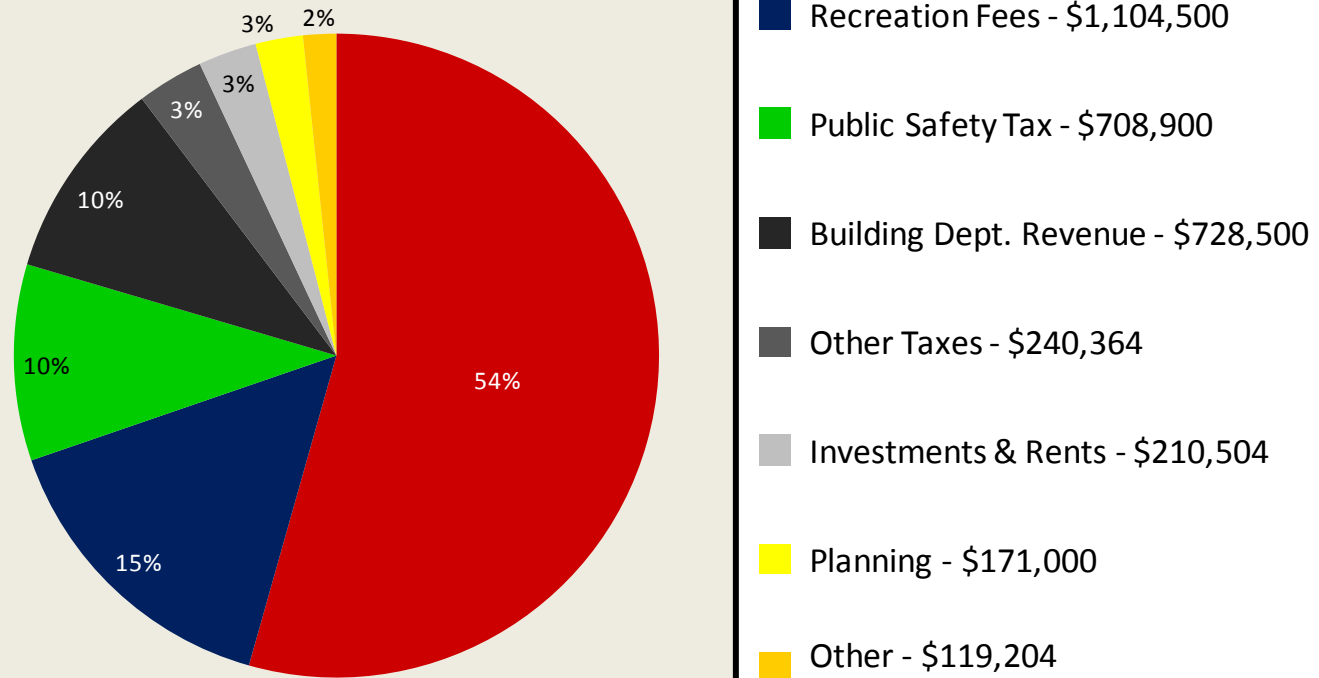


If CalPERS payoffs were included FYE13 would be negative \$1.064M and FYE16 would be negative \$1.606M

## REVENUES

### General Fund and Public Safety Tax Fund

#### Budget 2015-2016 = \$7,195,299



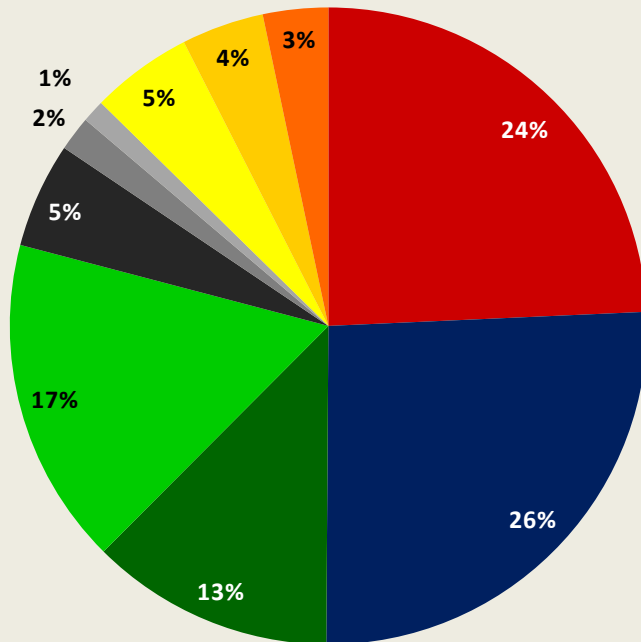
Other taxes includes business licenses, sales, and franchise taxes

Other includes Intergovernmental Revenue, Police Revenue, Construction Penalties, and Miscellaneous

## EXPENDITURES (by type)

General Fund (not including CalPERS unfunded liability payment)

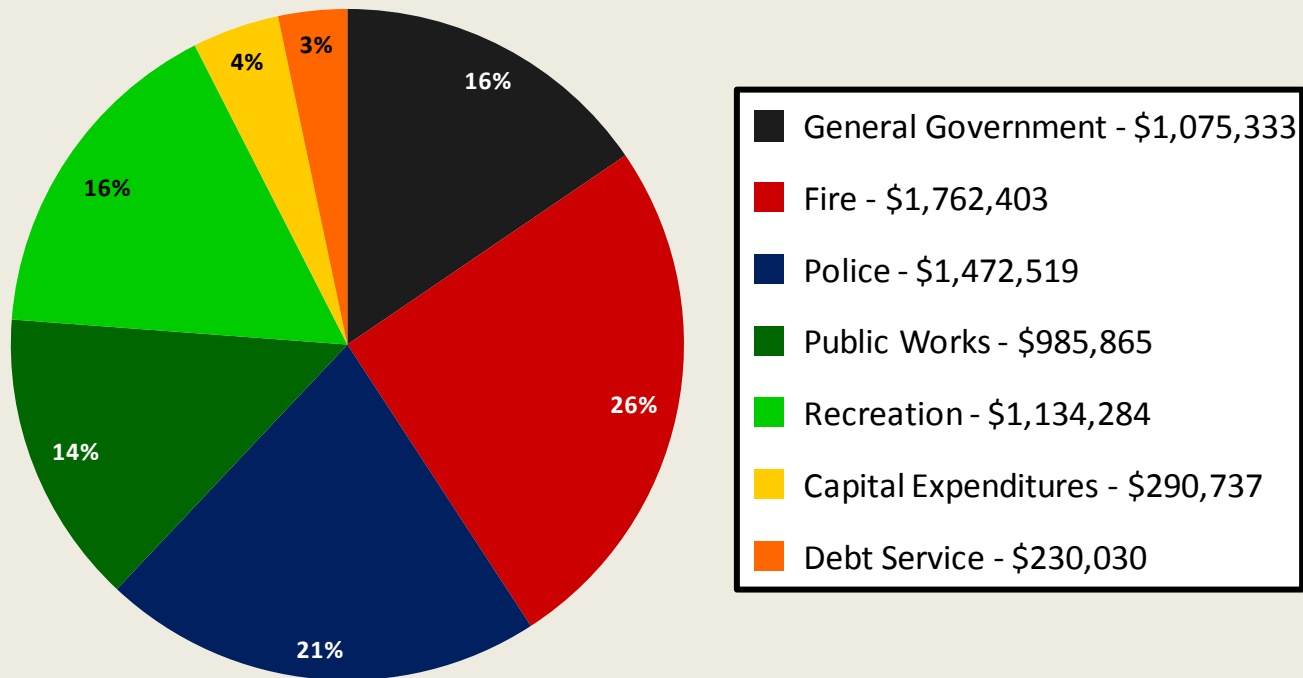
Budget 2015-2016 = \$6,951,171



- Ross Valley Fire Dept - \$1,688,675
- Wages - \$1,794,126
- Employee Benefits - \$859,565
- Outside Services - \$1,155,596
- Maintenance & Repairs - \$371,500
- Rent - \$122,500
- Insurance - \$79,830
- Other - \$358,612
- Capital Expenditures - \$290,737
- Debt Service - \$230,030

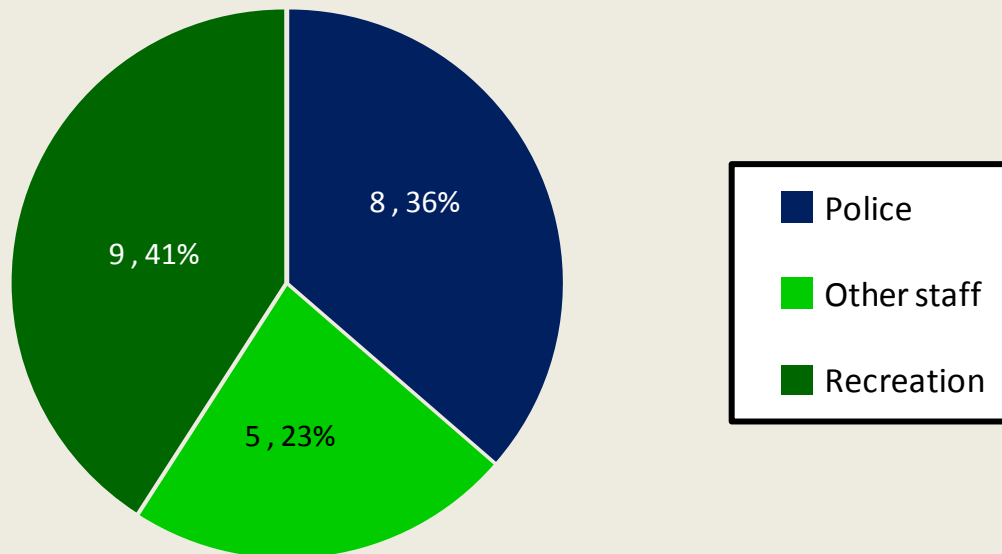
Employee benefits includes pension expense of \$210,844  
Maintenance & Repairs includes vehicle expense  
Other includes Other and Memberships & Organizations

**EXPENDITURES (by Department)**  
**General Fund**  
**Budget 2015-2016 = \$6,951,171**



## STAFFING

Full Time Equivalents - FYE 2016

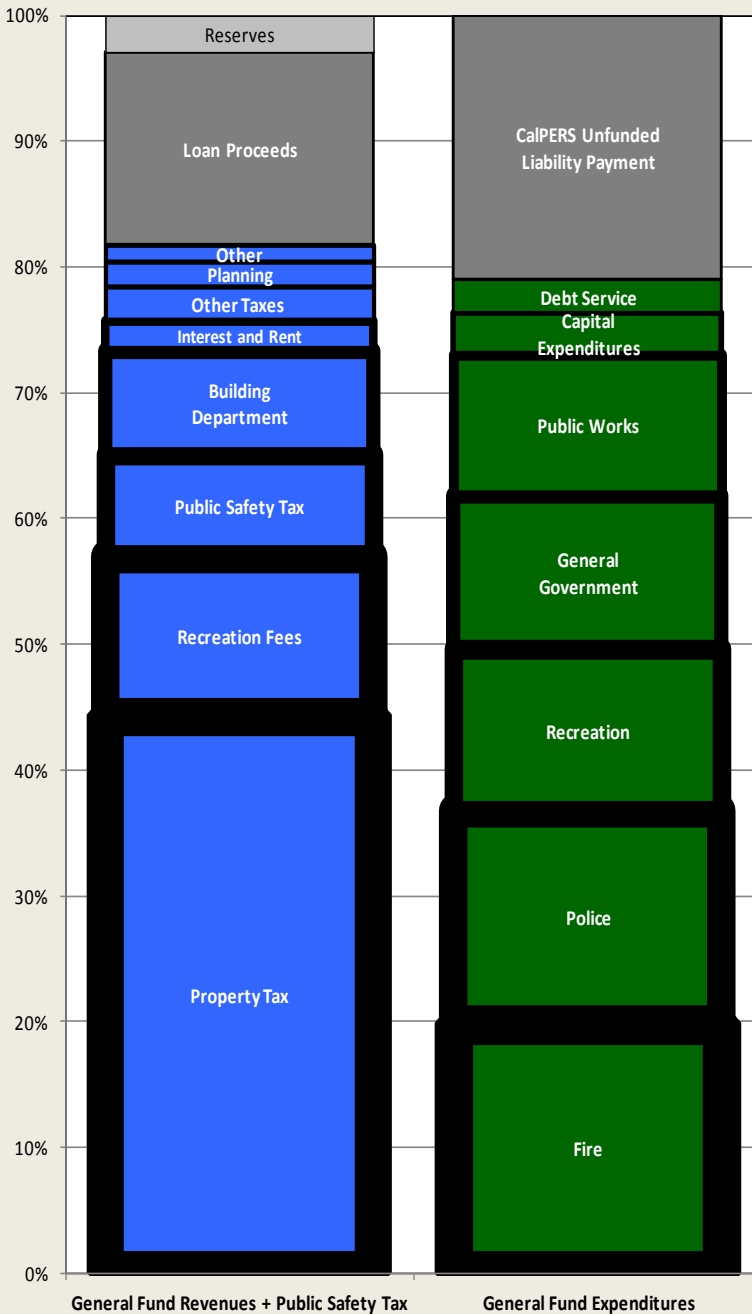




# 50% Payoff of CalPERS Unfunded Accrued Liability (UAL)

- This expense of \$1,850,000 is shown as a separate line item after ordinary revenue and expenditures. It is important to note that in the audited financial statements it will be considered a departmental expense above the bottom line.
- This expenditure will be funded with \$1.350M borrowed from County of Marin at interest rates ranging from 3.5% to 4% and \$500K Operating Fund revenues.
- CalPERS provided amortization schedules calculating savings of \$3.4M.
- The balance of the UAL will be amortized and paid over 20 years.

# BUDGET FYE 2016



# County of Marin TRAN notes (tax revenue anticipation notes) to be used to payoff CalPERS UAL

		Interest Year 1 3.5%	Interest Year 2 3.5%	Interest Year 3 3.5%	Interest Year 4 3.75%	Interest Year 5 4.0%	Total Interest	Principal & Interest at Maturity
Note 1 due 7/1/16	290,000	10,150					10,150	300,150
Note 2 due 7/1/17	280,000	9,800	9,800				19,600	299,600
Note 3 due 7/1/18	270,000	9,450	9,450	9,450			28,350	298,350
Note 4 due 7/1/19	260,000	9,100	9,100	9,100	9,750		37,050	297,050
Note 5 due 7/1/20	250,000	8,750	8,750	8,750	9,375	10,000	45,625	295,625
	1,350,000	47,250	37,100	27,300	19,125	10,000	140,775	1,490,775

# OPEB (Other Post Retirement Employee Benefits)

- This budget includes \$100K payment to CERBT (California Employers' Retirement Benefit Trust) to pay off the remaining unfunded liability for retiree health premiums.
- This payment is optional. The Town is only required to pay the current cost of retirees which is approximately \$15K per annum.
- An OPEB valuation as of 6/30/15 will be done by Bartels at a cost of \$9K in the fall of 2015.

# What's the bottom line? (change in fund balance)

GENERAL FUND:	
Operating Fund	\$ 78,095
Recreation Fund	(87,284)
Facilities and Equipment Fund	(228,077)
Legal Defense Fund	(18,606)
Emergency Fund	-
	<u>(255,872)</u>
SPECIAL REVENUE FUNDS:	
Gas Tax	-
Roadway	31,400
Drainage	73,391
Public Safety Tax Fund	-
COPS Fund	-
General Plan Update Fund	35,200
	<u>\$ (115,881)</u>

**Town of Ross**  
**All Funds - Budget Summary - 2015-2016**

	GENERAL FUND						SPECIAL REVENUE FUNDS						ALL FUNDS
	Operating Fund	Recreation	Facilities & Equipment	Legal Defense	Emergency	TOTAL GENERAL FUND	Gas Tax	Roadway	Drainage	Public Safety Tax	COPS	Gen Plan Update	TOTAL
<b>Estimated Fund Bal 6/30/15</b>	\$ 3,289,689	\$ 739,273	\$ 1,797,512	\$ 18,606	\$ 1,500,000	\$ 7,345,080	\$ 275,257	\$ 760,390	\$797,534	\$ -	\$14,263	\$ 126,941	\$ 9,319,465
<b>Budgeted Revenue</b>													
Property Taxes	3,912,327	-	-	-	-	3,912,327	-	-	-	-	-	-	3,912,327
Other Taxes	240,364	-	-	-	-	240,364	-	-	-	-	-	-	240,364
Intergovernmental Revenue	58,004	-	-	-	-	58,004	-	-	-	-	-	-	58,004
Investment Income and Rents	210,504	-	-	-	-	210,504	-	-	-	-	-	-	210,504
Building Department Revenue	728,500	-	-	-	-	728,500	-	-	-	-	-	-	728,500
Planning	171,000	-	-	-	-	171,000	-	-	-	-	-	-	171,000
Police Revenue	26,200	-	-	-	-	26,200	-	-	-	-	-	-	26,200
Miscellaneous	25,000	-	-	-	-	25,000	-	-	-	-	-	-	25,000
Other Fund Revenue	-	1,104,500	10,000	-	-	1,114,500	57,979	476,400	657,345	708,900	100,000	35,200	3,150,324
<b>Total Budgeted Revenue</b>	<b>5,371,899</b>	<b>1,104,500</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>6,486,399</b>	<b>57,979</b>	<b>476,400</b>	<b>657,345</b>	<b>708,900</b>	<b>100,000</b>	<b>35,200</b>	<b>8,522,223</b>
<b>Budgeted Expenditures</b>													
General Government	1,075,333	-	-	-	-	1,075,333	-	-	-	-	-	-	1,075,333
Fire	1,762,403	-	-	-	-	1,762,403	-	-	-	-	-	-	1,762,403
Police	1,472,519	-	-	-	-	1,472,519	-	-	-	-	-	-	1,472,519
Public Works	960,865	-	-	-	-	960,865	-	-	-	-	-	-	960,865
Debt Service	196,690	-	-	-	-	196,690	-	-	-	-	-	-	196,690
Capital Expenditures	28,500	-	-	-	-	28,500	-	-	-	-	-	-	28,500
Other Fund Expenditures	-	1,191,784	263,077	-	-	1,454,861	57,979	445,000	583,954	-	100,000	-	2,641,794
<b>Total Budgeted Expenditures</b>	<b>5,496,310</b>	<b>1,191,784</b>	<b>263,077</b>	<b>-</b>	<b>-</b>	<b>6,951,171</b>	<b>57,979</b>	<b>445,000</b>	<b>583,954</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>8,138,104</b>
<b>Revenue Over (Under) Expend.</b>	<b>(124,411)</b>	<b>(87,284)</b>	<b>(253,077)</b>	<b>-</b>	<b>-</b>	<b>(464,772)</b>	<b>-</b>	<b>31,400</b>	<b>73,391</b>	<b>708,900</b>	<b>-</b>	<b>35,200</b>	<b>384,119</b>
Transfer from Legal Defense to Public Safety Tax Fund	-	-	-	(18,606)	-	(18,606)	-	-	-	18,606	-	-	-
Transfer from Public Safety Tax Fund to General Fund	727,506	-	-	-	-	727,506	-	-	-	(727,506)	-	-	-
Transfer to Facilities Fund	(25,000)	-	25,000	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>578,095</b>	<b>(87,284)</b>	<b>(228,077)</b>	<b>(18,606)</b>	<b>-</b>	<b>244,128</b>	<b>-</b>	<b>31,400</b>	<b>73,391</b>	<b>-</b>	<b>-</b>	<b>35,200</b>	<b>384,119</b>
Proceeds County of Marin TRAN Notes	1,350,000	-	-	-	-	1,350,000							1,350,000
CalPERS unfunded liability payment	(1,850,000)					(1,850,000)							(1,850,000)
<b>Net Change in Fund Balance</b>	<b>78,095</b>	<b>(87,284)</b>	<b>(228,077)</b>	<b>(18,606)</b>	<b>-</b>	<b>(255,872)</b>	<b>-</b>	<b>31,400</b>	<b>73,391</b>	<b>-</b>	<b>-</b>	<b>35,200</b>	<b>(115,881)</b>
<b>Estimated Fund Bal 6/30/16</b>	<b>\$ 3,367,783</b>	<b>\$ 651,989</b>	<b>\$ 1,569,435</b>	<b>\$ -</b>	<b>\$ 1,500,000</b>	<b>\$ 7,089,208</b>	<b>\$ 275,257</b>	<b>\$ 791,790</b>	<b>\$870,925</b>	<b>\$ -</b>	<b>\$14,263</b>	<b>\$ 162,141</b>	<b>\$ 9,203,584</b>

# OPERATING FUND SUMMARY

	FY 12-13	FY 13-14	FY 14-15	FY 14-15	FY 15-16	% change
OPERATING FUND SUMMARY	Actual	Actual	Budget	Est. Actual	Budget	in Budget
<b>Revenue</b>						
Property Taxes	\$ 3,277,852	\$ 3,559,991	\$ 3,539,870	\$ 3,695,682	\$ 3,912,327	10.5%
Other Taxes	221,293	228,814	238,015	252,826	240,364	1.0%
Intergovernmental Revenue	38,320	48,359	52,103	84,577	58,004	11.3%
Investment Income and Rents	214,700	236,740	228,192	229,092	210,504	-7.8%
Building Department Revenue	869,371	1,046,494	535,350	705,484	728,500	36.1%
Planning	211,078	216,996	147,500	182,000	171,000	15.9%
Police Revenue	33,471	22,890	18,400	26,400	26,200	42.4%
Miscellaneous	269,759	59,249	25,000	35,654	25,000	0.0%
<b>Total Revenue</b>	<b>\$ 5,135,844</b>	<b>\$ 5,419,533</b>	<b>\$ 4,784,430</b>	<b>\$ 5,211,715</b>	<b>\$ 5,371,899</b>	<b>12.3%</b>
<b>Expenditures before PERS unfunded accrued liability payment (UAL)</b>						
General Government	\$ 795,426	\$ 904,644	\$ 1,019,045	\$ 1,090,923	\$ 1,075,333	5.5%
Fire	1,899,733	1,619,211	1,680,090	1,719,733	1,762,403	4.9%
Police	1,337,877	1,354,339	1,490,271	1,458,271	1,472,519	-1.2%
Public Works	677,368	784,113	983,129	974,706	960,865	-2.3%
<i>Subtotal</i>	4,710,404	4,662,307	5,172,534	5,243,633	5,271,120	1.9%
Debt Service	19,385	420,010	222,700	216,101	196,690	-11.7%
Capital Expenditures	28,135	16,390	11,500	26,105	28,500	147.8%
<b>Total Expenditures before PERS UAL</b>	<b>4,757,924</b>	<b>5,098,707</b>	<b>5,406,735</b>	<b>5,485,839</b>	<b>5,496,310</b>	<b>1.7%</b>
<b>Revenue Over (Under) Expenditures</b>	<b>\$ 377,920</b>	<b>\$ 320,826</b>	<b>\$ (622,305)</b>	<b>\$ (274,124)</b>	<b>\$ (124,411)</b>	<b>-80.0%</b>
Transfer from Public Safety Tax Fund	-	793,222	795,350	792,528	727,506	
<i>Subtotal</i>	<b>377,920</b>	<b>1,114,048</b>	<b>173,045</b>	<b>518,404</b>	<b>603,095</b>	<b>248.5%</b>
CalPERS side fund pay payoff	(1,496,777)	-	-	-	-	
CalPERS UAL payment	-	-	-	-	(1,850,000)	
Proceeds Co of Marin TRAN Notes	920,777	-	-	-	1,350,000	100.0%
Transfer (to) from Facilities & Equip Fund	1,147,494	(721,494)	(25,000)	(25,000)	(25,000)	0.0%
Transfer from Recreation Fund to repay prior year expenses	-	-	115,000	112,852	-	-100.0%
Transfers to Other Funds	-	-	-	-	-	0.0%
<b>Net change in Fund Balance</b>	<b>949,414</b>	<b>392,554</b>	<b>263,045</b>	<b>606,256</b>	<b>78,095</b>	
Fund Balance Beginning of Year	1,341,465	2,290,879	2,407,833	2,683,433	3,289,689	36.6%
<b>Estimated Fund Balance End of Year</b>	<b>\$ 2,290,879</b>	<b>\$ 2,683,433</b>	<b>\$ 2,670,878</b>	<b>\$ 3,289,689</b>	<b>\$ 3,367,783</b>	<b>26.1%</b>

# Public Safety Tax

- The Public Safety tax passed November 2012.
- The maximum allowed is \$950 per parcel
- Good for FYE14, 15, 16, 17
- Next election is November 2016. If the measure fails a second election could be held June 2017.



# What should the parcel tax rate be set at?

- Last year the rate was set at \$950 but Legal Defense Funds were used to pay part of this so residents were only billed \$850
- In FYE16 only \$18,606 in Legal Defense monies remain so in order to get the same amount of proceeds as the previous year residents would need to be billed \$928
- If residents are billed \$850 the parcel tax needs to be set at \$872 with \$22 paid with legal defense monies. This would result in \$65K less revenue than the year before. This is the option used in this budget

PARCEL TAX OPTIONS FYE16										
	Calculations based on 836 parcels									
	Actual FYE15		Options for FYE16							
	\$950/parcel		\$872/parcel		\$922/parcel		\$950/parcel			
	Rate/parcel	Proceeds	Rate/parcel	Proceeds	Rate/parcel	Proceeds	Rate/parcel	Proceeds		
Rate charged to residents	\$ 850	\$ 710,600	\$ 850	\$ 710,600	\$ 900	\$ 752,400	\$ 928	\$ 775,594		
Legal Defense Fund monies used	100	83,600	22	18,606	22	18,606	22	18,606		
	\$ 950	794,200	\$ 872	729,206	\$ 922	771,006	\$ 950	794,200		
Less collection fee		(1,672)		(1,700)		(1,700)		(1,700)		
Net transfer to Operating Fund		\$ 792,528		\$ 727,506		\$ 769,306		\$ 792,500		

# Capital Expenses and Major Repairs General Fund more than 10K

- Planning and permitting software \$20K
- St. Johns bathroom remodel \$30K
- St. John's preschool playground renovation \$20K
- Street trees \$20K
- Arbor design \$25K
- Granicus live and archival streaming of council meetings \$10K (annual maintenance costs of \$13K included in General Government expense)
- Post Office furnace replacement \$20K
- 6 redwood Road \$25K for insurance deductible
- Seismic study civic center \$45K
- 3 Bear hut \$25K

# General Fund Revenues

## % change in budget from FYE15 to FYE16

Property Taxes	10.5%
Other Taxes	1.0%
Intergovernmental Revenue	11.3%
Investment Income and Rents	-7.8%
Building Department Revenue	36.1%
Planning	15.9%
Police Revenue	42.4%
Miscellaneous	0.0%
Recreation Revenues	-5.6%
Facilities Fund Revenues	-90.9%

# Revenues – Operating Fund

- Property tax revenues are forecasted by HdL Coren and Cone at \$3.3M, a 7.83% increase over prior fiscal year actual and an 11% increase over prior year budget
- Loss of rental income from residence damaged in fire - \$27K. No provision was made for insurance proceeds or reconstruction other than \$25K deductible
- Building Department budget is 37% more than prior year budget and 3% more than estimated actual for FYE15
- Planning Department budget is 16% more than prior year budget but 6% less than estimated actual for FYE15
- Facilities Fund revenues are down 90% because of decrease in construction penalties which are difficult to predict

# General Fund Expenditures

## % change in budget from FYE15 to FYE16

	% change
General Government	5.5%
Fire	4.4%
Police	-1.7%
Public Works	-3.5%
Recreation	-4.5%
Capital Expenditures	-13.2%
Debt Service	-13.4%

# General Government Expenditures

- Town Manager salary - \$180K with 15K other comp
- Town Planner - \$110K
- Wages include a 3% increase for Town Clerk for significant addition of work related to recreation with a 1% offset for additional employee contribution to pension cost
- An office assistant position is added for a total cost of \$25K with an allocation of 2/3rds of this cost to Recreation Fund
- Health/cafeteria plan expense is up 29% due to coverage of new Town Manager (prior Town manager did not elect to be covered)
- Audit expense is up 35% due to new GASB reporting requirements, the addition of the recreation department, and Federal single audit act compliance
- Consultants for employee matters of \$55K includes 9.5K for Bartel OPEB valuation, hiring fees, and human resources consultant
- Fee study - \$50K with half allocated to FYE15 and half to FYE16
- Granicus video streaming and archiving of council meetings annual expense - \$12K per year

# Fire Department Expenditures

- Ross Valley Fire Department is 3% more than prior year, however, at this point it is just an estimate until the JPA sets their budget
- Fire cost study is \$40K with \$20K in FYE15 and 20K in FYE16

# Police Department Expenditures

- The current MOU expires 6/30/15 and new MOU negotiations are ongoing. This budget does not take into effect any changes that will come about as a result of the new MOU
- Wages are up over estimated actual for FYE15 due to fact of officer on military leave has now returned
- Major Crimes Task Force is budgeted at \$9.4K pending council review of MCTF budget
- COPS funds of \$100K will offset \$150K cost of one officer



# Public Works Expenditures

- A 1% increase in wages is offset by 1% increase in employee contribution to pension cost
- Building inspection services are 17% higher than prior budget due to additional time for building official services and anticipated increase in building activity
- Outside services are \$60k, 500% higher than prior year due to fact the Maintenance Worker II position isn't filled
- Natalie Coffin Green Park budget up 133% to \$17.5K
- Ross Common Maintenance budget of \$25K to be paid for with \$17.5K Marin Co Measure A park funds. The Recreation Fund also has \$25K in budget for Ross Common maintenance

# RECREATION FUND

- Revenue is down 5.6% due to loss of Garden preschool fees.
- St. John's revenue is based on assumption of full enrollment of 40
- In FYE15 there were two part time positions, Rec Specialist (1000 hrs) and Rec Clerk (500hrs). This budget calls for two Rec Specialists at 1000 hours each and no Rec Clerk
- The Administrative Assistant position hourly wage is increased 3%
- St. John's rent is budgeted at \$114K
- The Town is picking up \$50K cost of maintenance of Ross Common from the school. \$25K of this cost is charged to Public Works Department
- Recreation operating loss is \$30K. Net loss after capital expenditures is \$87K

# ROADWAY FUND PROJECTS

- ADA improvements \$25K funded with impact fees
- Bolinas pedestrian improvements \$200K funded impact fees and TAM OBAG funds of \$145K
- Road Improvements \$160K funded with impact fees and TAM Measure B funds of \$30K
- Laurel Grove sidewalk \$40K funded with impact fees and TAM safe routes funds of \$25K

# DRAINAGE FUND PROJECTS

- Drainage Improvements - \$143K funded with impact fees
  - Winding Way - \$35K
  - 98 Fernhill culvert- \$20K
  - 14 Brookwood culvert- \$30K
  - Allen Ave culverts - \$40K
  - Engineering and administration - \$18K
- Federal Highway Bridge Program – 88.53% funding
  - Glenwood Bridge – foundation investigation - \$55K
  - Norwood Bridge – scoping - \$21K
  - Shady Lane Bridge – scoping - \$21K
  - SFD Blvd. Bridge – scoping - \$25K
- Federal Highway Bridge Program – 100% funding
  - Winship Bridge – replacement design - \$310K
- Town Hydrology Review \$10K funded with impact fees