



## **Agenda Item No. 17.**

### **Staff Report**

**Date:** June 14, 2018

**To:** Mayor Robbins and Council Members

**From:** Joe Chinn, Town Manager

**Subject:** Council Adoption of Resolution No. 2058 Adopting the Fiscal Year Ending 2019 Budget, Setting The Parcel Tax Assessment for Fiscal Year Ending 2019, and Amending the Town's Salary Schedule; and Adoption of Resolution No. 2059 Making Certain Findings and Determinations In Compliance With Section XIII(B) of the California Constitution (Gann Initiative) and Setting the Appropriation Limit for the Fiscal Year Ending June 30, 2019

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#### **Recommendation**

The Council to hear a brief presentation on the fiscal year ending June 30, 2019 (FYE19) budget, open the public hearing and take public comment. The Council is then asked to adopt attached Resolution No. 2058 approving the FYE 2019 budget, setting the parcel tax rate, and amending the Town's Salary Schedule; and to adopt Resolution No. 2059 setting the Town appropriations limit as provided in Government Code Section 7910 for the fiscal year ending June 30, 2019.

#### **Background and discussion**

Attached is the Fiscal Year 2018-19 (FYE19) General Fund and Special Revenue Funds budget. The budget includes revenues and expenses related to Town operations and capital improvements. The budget was developed based on the continuing objectives of providing high quality services to the community in an efficient, effective, responsive, and financially responsible manner. The overall budget for all Town Funds is approximately \$10.1 million for FYE19.

The programs and projects in the budget are designed to help support the Town to meet the following goals:

- Sustain financial responsibility and stability
- Enhance effectiveness and efficiency of delivery of services
- Maintain a safe community
- Foster and strengthen community involvement
- Improve infrastructure and facilities
- Provide transparency and consistency in government

The budget provides current services to Town residents as well as new projects and programs that have been discussed by the Council during the course of the fiscal year including at the Town Council Strategic

Workshop held on February 15, 2018 and the Budget Workshop on April 25, 2018. The budget message at the beginning of the budget document provides a summary of the overall budget.

At the Budget Workshop on April 25th, the Council discussed the proposed FYE19 budget in-depth. Based on that discussion and further analysis, staff made the following changes:

GENERAL FUND		
Acct #	Net change in General Fund balance FYE18 per 4/25/18 workshop draft budget	\$ 11,369
5010-05	Increase in Property Tax revenue	10,000
5282-05	Increase in Excess ERAF revenue	5,000
7940-10	Increase in Special Events and Activities	(2,000)
6390-20	Increase in Ross Valley Fire Department JPA fee	(4,787)
6392-20	Decrease in Ross Valley Fire Department equipment payment	90
Various	Increase in Police Education pay and benefits	(1,962)
Various	Increase in Building Permit Technician pay and benefits	(1,116)
6434-30	Increase in Building Department Administration	(10,000)
6809-30	Increase in Town Hall/Post Office Landscaping	(5,000)
6460-35	Decrease in Planning Consultants	40,000
5495-66	Decrease in Insurance Proceeds for 6 Redwood	(98,000)
9138-66	Decrease in 6 Redwood expense	166,000
5952-05	Decrease in transfer from General Plan Update Fund to Operating Fund	(20,000)
	Net change in General Fund balance FYE18 per proposed budget 6/14/18	89,594
SPECIAL REVENUE FUNDS		
Acct #	Net change in Special Rev Fund balances FYE18 per 4/25/18 workshop draft budget	(666,250)
Various	Decrease in Gas Tax revenue	(5,845)
Various	Decrease in Gas Tax expense	5,845
5952-73	Decrease in transfer from General Plan Update Fund to Operating Fund	20,000
	Net change in Special Rev Fund balance FYE18 per proposed budget 6/14/18	(646,250)
	Net change in Total Fund balances FYE18 per proposed budget 6/14/18	\$ (556,656)

The State Constitution requires the Gann appropriation limit be set for the fiscal year. This is done at the same time with adoption of the budget to ensure the Town is not taking in more taxes than allowed by the limit. The Town is under the limit by \$511,422. The Gann findings and calculations have been available to the public in the Town office for fifteen (15) days prior to the adoption of the budget as required.

#### **Fiscal, resource and timeline impacts**

The FYE 2019 budget is an estimate of next year's results and is based on a number of assumptions. The budget as shown would result in a \$90K surplus to the General Fund and budgeted spending of \$646K more in the Special Revenue Funds than budgeted revenue. Any Special Revenue Fund spending above revenues will be funded by fund balances, which are accumulated to be used for this purpose.

**Alternative actions**

None recommended though the Council could decide to modify the budget.

**Environmental review (if applicable)**

N/A

**Attachments**

- Resolution No. 2058 Adopting the FYE 2019 budget, setting the parcel tax assessment, and amending the Town's Salary Schedule
- Resolution No. 2059 Setting the Gann appropriation limit for FYE 2019 with exhibits
- Town of Ross FYE19 Budget

## TOWN OF ROSS

### RESOLUTION NO. 2058

#### A RESOLUTION OF THE TOWN OF ROSS TOWN COUNCIL ADOPTING THE FISCAL YEAR ENDING (FYE) 2019 BUDGET, SETTING THE PARCEL TAX ASSESSMENT FOR FYE 2019, AND AMENDING THE TOWN'S SALARY SCHEDULE

**WHEREAS**, the Ross Town Council held a public hearing on the proposed fiscal year ending (FYE) 2019 budget on April 25, 2018; and

**WHEREAS**, the Ross Town Council has determined the proposed FYE 2019 budget will provide Ross municipal services and the necessary construction of capital improvements; and

**WHEREAS**, Measure K the Ross Public Safety Tax was approved in November 2016 allowing the Town Council to set the annual parcel tax up to a maximum of \$970/parcel per year with annual cost of living adjustments; and adjustment for FYE19 is 3.51%; and

**WHEREAS**, staff recommends the parcel tax be set at \$1,004 per parcel; and

**NOW THEREFORE BE IT RESOLVED**, the Ross Town Council of the Town of Ross hereby adopts the Town of Ross FYE 2019 budget with expenditures totaling \$10,084,906 appropriated as follows, with transfers between funds as follows, and sets the annual parcel tax billed to residents at \$1,004 per parcel.

Summary of Expenditures	Per Budget	CalPERS UAL	Total
General Fund			
Operating	\$ 6,510,210	\$ 200,000	\$ 6,710,210
Recreation	881,136		881,136
Facilities and Equipment	510,000		510,000
Emergency	-		-
	7,901,346	200,000	8,101,346
Special Revenue Funds			
Gas Tax	110,560		110,560
Roadway	608,000		608,000
Drainage	1,115,000		1,115,000
Public Safety Tax	-		-
COPS	150,000		150,000
General Plan Update	-		-
	\$ 9,884,906	\$ 200,000	\$ 10,084,906

**Transfers**

- From the Operating Fund to the Facilities and Equipment Fund - \$400,000
- From the Public Safety Tax Fund to the Operating Fund - \$836,640
- From the General Plan Update Fund to the Operating Fund - \$40,000
- From the General Plan Update Fund to the Facilities and Equipment Fund - \$15,000

**BE IT FURTHER RESOLVED**, that the Town of Ross Salary Schedule attached hereto is amended to reflect salary changes effective July 1, 2018.

The foregoing resolution was duly and regularly adopted by the Ross Town Council at the regular meeting held on the 14<sup>th</sup> day of June 2018, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Elizabeth Robbins, Mayor

**ATTEST:**

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Linda Lopez, Town Clerk

**TOWN OF ROSS**  
**SALARY SCHEDULE**  
Effective July 1, 2018

		Hourly	Per Month				
Department/Position	Unit	Rate	Salary	Step A	Step B	Step C	Step D
<b>TOWN MANAGER</b>							
<b>approved by budget</b>							
Town Manager	Unrepresented		\$ 16,804	--	--	--	--
<b>ADMINISTRATION/PLANNING</b>							
<b>approved by budget</b>							
Administrative Manager/Town Clerk	Unrepresented		\$ 7,819	--	--	--	--
Planning Manager	Unrepresented		--	\$ 9,725	\$ 10,211	\$ 10,721	\$ 11,258
Town Treasurer	Unrepresented		\$ 250	--	--	--	--
Office Assistant (.45 time)	Unrepresented	\$23.93					
<b>PUBLIC WORKS</b>							
<b>approved by budget</b>							
Public Works Director	Unrepresented			\$ 10,966	\$ 11,514	\$ 12,090	\$ 12,696
Public Works Superintendent	Unrepresented		\$ 8,710	--	--	--	--
Maintenance Worker	Unrepresented		--	\$ 4,421	\$ 4,641	\$ 4,874	\$ 5,118
Building Permit Technician	Unrepresented			\$ 5,616	\$ 5,896	\$ 6,192	\$ 6,500
<b>POLICE CHIEF</b>							
<b>approved by Resolution 1942 adopted 3/10/16</b>							
Police Chief	Unrepresented		\$ 11,943	--	--	--	--
Education pay of \$250/month, Uniform Pay \$1,000/yr							
<b>POLICE</b>							
<b>approved by Resolution No. 1923 adopted 11/12/15</b>							
Police Sergeant	Ross Police Officers Assn		--	\$ 7,994	\$ 8,394	\$ 8,814	\$ 9,255
Police Officer	Ross Police Officers Assn		--	\$ 6,775	\$ 7,113	\$ 7,470	\$ 7,843
MOU also calls for:							
Longevity pay of 2.5% - 5% of salary							
Education pay of \$50 to \$300 per month							
Shift differential pay of 5% for night hours							
Holiday in lieu pay for 12 holidays per year							
Uniform pay of \$1,000/year							
<b>RECREATION</b>							
<b>approved by budget</b>							
Recreation Manager (3/4 time)	Unrepresented		\$ 7,073	--	--	--	--
Recreation Specialist	Unrepresented			\$ 28.37	\$ 29.79	\$ 31.28	\$ 32.84
Clerk	Unrepresented			\$ 22.84	\$ 23.98	\$ 25.18	\$ 26.44
Recreation Instructor/Program Lead	Unrepresented	\$15.00 - \$78.00					
Recreation Leader	Unrepresented	\$11.00 - \$14.50					
Administrative Assistant	Unrepresented	\$26.50 - \$33.01					

# **TOWN OF ROSS**

## **RESOLUTION NO. 2059**

### **A RESOLUTION OF THE TOWN OF ROSS MAKING CERTAIN FINDINGS AND DETERMINATIONS IN COMPLIANCE WITH SECTION XIII(B) OF THE CALIFORNIA CONSTITUTION (GANN INITIATIVE) AND SETTING THE APPROPRIATION LIMIT FOR THE FISCAL YEAR ENDING (FYE) JUNE 30, 2019**

**WHEREAS**, the Ross Town Council finds as follows:

1. The base year appropriate limit is established at \$622,265; and
2. The per capita cost of living factor for FYE 2019 shall be determined by using the change in California per capita personal income; and
3. The population factor for FYE 2019 shall be determined by using the greater of the change in population within the Town or within Marin County; and
4. The Town appropriation limit for the fiscal year ending June 30, 2019 is \$5,575,262 as documented in "Exhibit A" attached hereto and incorporated herein; and
5. The Town's proposed budget for the fiscal year ending June 30, 2019 anticipates \$5,063,840 in appropriations subject to the limit, which is \$511,422 less than the appropriations limit of \$5,575,262; and
6. The calculation of the budgeted appropriations subject to limit is documented in "Exhibit B" attached hereto and incorporated within.

**NOW THEREFORE BE IT RESOLVED**, the Town of Ross hereby resolves that, based on the foregoing figures and provisions of Article XIII(B) of the Constitution of the State of California, the following figure accordingly represents the Fiscal Year Ending June 30, 2019 Appropriation Limit for the Town of Ross at \$5,575,262.

The foregoing resolution was duly and regularly adopted by the Ross Town Council at its regular meeting held on the 14th day of June 2018, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Elizabeth Robbins, Mayor

**ATTEST:**

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Linda Lopez, Town Clerk

**Attachments:**

Exhibit A – Appropriation Limit

Exhibit B – Appropriations Subject to the Limit



TOWN OF ROSS  
APPROPRIATION LIMIT

EXHIBIT A

Fiscal Year End	Per Capita Personal Income Factor	Population Change Factor	Appropriations Limit
1979	Base year as amended		\$622,265
1980	1.1017		729,617
1981	1.1211		817,974
1982	1.0912		892,573
1983	1.0679		953,179
1984	1.0235		975,579
1985	1.0474		1,021,821
1986	1.0374		1,060,037
1987	1.0230		1,084,418
1988	1.0347	1.0059	1,128,667
1989	1.0466	1.0092	1,192,131
1990	1.0519	1.0124	1,269,552
1991	1.0421	1.0148	1,342,581
1992	1.0414	1.0155	1,419,835
1993	1.0000	1.0179	1,445,250
1994	1.0272	1.0187	1,512,322
1995	1.0071	1.0120	1,541,336
1996	1.0427	1.0224	1,643,152
1997	1.0467	1.0158	1,747,061
1998	1.0467	1.0164	1,858,639
1999	1.0415	1.0156	1,965,970
2000	1.0453	1.0181	2,092,225
2001	1.0491	1.0118	2,220,853
2002	1.0782	1.0072	2,411,765
2003	1.0117	1.0099	2,464,138
2004	1.0231	1.0077	2,540,472
2005	1.0485	1.0253	2,731,076
2006	1.0965	1.0033	3,004,507
2007	1.0396	1.0007	3,125,672
2008	1.0442	1.0092	3,293,854
2009	1.0429	1.0097	3,468,481
2010	1.0062	1.0067	3,513,369
2011	0.9746	1.0087	3,453,919
2012	1.0251	1.0091	3,572,832
2013	1.0377	1.0105	3,746,457
2014	1.0512	1.0070	3,965,843
2015	0.9977	1.0042	3,973,340
2016	1.0382	1.0073	4,155,235
2017	1.0537	1.0033	4,392,820
2018	1.0369	1.0018	4,563,114
2019	1.0367	1.0017	4,738,622
Voter approved additional amount: Public Safety Special Tax			836,640
			<u>\$ 5,575,262</u>

TOWN OF ROSS  
 APPROPRIATIONS SUBJECT TO THE LIMIT  
 BASED ON ADOPTED BUDGET FOR THE  
 FISCAL YEAR ENDED JUNE 30, 2019

EXHIBIT B

Revenue Source	TAX PROCEEDS	NON-TAX PROCEEDS	TOTAL
Property Taxes	\$ 3,840,000		\$ 3,840,000
Homeowner Property Tax Relief	18,300		18,300
Property Tax - Excess ERAF	330,000		330,000
Property Taxes in Lieu of VLF	276,000		276,000
Public Safety Special Tax	836,640		836,640
Real Property Transfer Tax	85,000		85,000
Business Licenses	45,000		45,000
Sales Tax	60,000		60,000
State Vehicle License Collection in Excess	1,400		1,400
Recreation Fees		833,500	833,500
Construction Penalties		80,000	80,000
Insurance Proceeds - fire damage		18,000	18,000
Sale of Police Vehicle		2,500	2,500
Building Dept Revenue		866,600	866,600
Public Works Dept Revenue		95,000	95,000
Planning Fees		152,000	152,000
Co of Marin - Measure A Parks		19,000	19,000
Franchises		189,000	189,000
Miscellaneous		10,500	10,500
Miscellaneous Public Safety Revenue		23,200	23,200
Rents		213,800	213,800
Prop 172 Public Safety Sales Tax		22,500	22,500
Vehicle Code Fines		18,000	18,000
Contributions Natalie Coffin Greene Park		15,000	15,000
	5,492,340	2,558,600	8,050,940
	68.22%	31.78%	100.00%
Interest	57,987	27,013	85,000
Total General Fund Revenue	\$ 5,550,327	\$ 2,585,613	\$ 8,135,940
Exclusions from Limitation:			
Qualified capital outlays	(305,000)		
Debt Service - MERA	(19,412)		
Federal Mandates - Social Security/medicare	(162,075)		
Appropriations subject to the limit	\$ 5,063,840		