



## **Agenda Item No. 13.**

### **Staff Report**

**Date:** June 13, 2019

**To:** Mayor Kuhl and Council Members

**From:** Joe Chinn, Town Manager

**Subject:** Council Adoption of Resolution No. 2110 Adopting the Fiscal Year Ending 2020 Budget, Setting The Parcel Tax Assessment for Fiscal Year Ending 2020, and Amending the Town's Salary Schedule; and Adoption of Resolution No. 2111 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, 2020

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#### **Recommendation**

The Council to hear a brief presentation on the fiscal year ending June 30, 2020 (FYE 2020) budget, open the public hearing and take public comment. The Council is then asked to adopt attached Resolution No. 2110 approving the FYE 2020 budget and setting the parcel tax rate; and to adopt Resolution No. 2111 setting the Town appropriations limit as provided in Government Code Section 7910 for the fiscal year ending June 30, 2020.

#### **Background and discussion**

Attached is the Fiscal Year 2019-20 (FYE 2020) 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 \$10.7 million for FYE 2020.

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 and improve emergency preparedness
- Foster and strengthen community involvement
- Maintain and 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 13, 2019 and the Budget Workshop on April 24, 2019. The budget message at the beginning of the budget document provides a summary of the overall budget.

At the Budget Workshop on April 24th, the Council discussed the proposed FYE 2020 budget in-depth. Based on that discussion and further analysis, staff made the following changes:

GENERAL FUND		
Acct #	Net change in General Fund balance FYE 2020 per 4/24/19 workshop draft budget	\$ 32,398
5010-05	Property Taxes revenue	20,000
5282-05	Property Tax - Excess ERAF Funds revenue	5,000
5040-05	Sales Tax revenue	3,000
5060-05	Franchise - Cable TV revenue	(3,000)
5400-66	Contributions Natalie Coffin Greene Park revenue	5,000
5401-66	Contribution RPOA - downtown enhancements revenue	20,000
Various	Insurance	(3,000)
6656-10	Marin Mediation Services	599
Various	Police Wages and Benefits	(4,323)
6760-20	Marin County OES Service Contract	200
8081-20	Police Policy Maintenance	(100)
Various	Planning and Building Director and related benefits - calculation correction	2,813
6390-20	Ross Valley Fire Department JPA Fee	(14,772)
6391-20	Ross Valley Fire Study	(6,000)
8130-35	Supplies - Office	(300)
6600-30	Animal Services	(3,941)
6655-30	Marin General Services Authority	125
9182-66	Downtown Enhancements	(22,000)
9180-66	Post Office Lighting	(12,000)
9126-66	ADA Transition Plan	5,000
	Net change in General Fund balance FYE 2020 per proposed budget	24,699
SPECIAL REVENUE FUNDS		
Acct #	Net change in Special Rev Fund balances per 4/24/19 workshop draft budget	(779,606)
5504-05	TAM Measures A & AA revenue	4,718
5505-05	TAM Measure B-Element 1 revenue	(1,417)
	Net change in Special Rev Fund balance FYE 2020 per proposed budget	(776,305)
	Net change in Total Fund balances FYE 2020 per proposed budget	\$ (751,606)

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 \$340,464. 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 2020 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 \$25K surplus to the General Fund and budgeted spending of \$776K 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**

1. Resolution No. 2110 Adopting the FYE 2020 budget, setting the parcel tax assessment, and amending the Town's Salary Schedule
2. Resolution No. 2111 Setting the Gann appropriation limit for FYE 2020 with Exhibits A and B
3. Town of Ross FYE 2020 Budget

# ATTACHMENT 1

## TOWN OF ROSS

### RESOLUTION NO. 2110

#### A RESOLUTION OF THE TOWN OF ROSS TOWN COUNCIL ADOPTING THE FISCAL YEAR ENDING (FYE) 2020 BUDGET, SETTING THE PARCEL TAX ASSESSMENT FOR FYE 2020, AND AMENDING THE TOWN'S SALARY SCHEDULE

**WHEREAS**, the Ross Town Council held a public hearing on the proposed fiscal year ending (FYE) 2020 budget on April 24, 2019; and

**WHEREAS**, the Ross Town Council has determined the proposed FYE 2020 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 the adjustment for FYE 2020 is 3.5% applied to the FYE 2019 parcel tax of \$1,004; and

**WHEREAS**, staff recommends the parcel tax be set at \$1,039 per parcel.

**NOW THEREFORE BE IT RESOLVED**, the Ross Town Council of the Town of Ross hereby adopts the Town of Ross FYE 2020 budget with expenditures totaling \$10,717,168 appropriated as follows, with transfers between funds as follows, and sets the annual parcel tax billed to residents at \$1,039 per parcel.

Summary of Expenditures	Per Budget	Pension UAL Paydown	Total
General Fund			
Operating	\$ 7,819,353	\$ 200,000	\$ 8,019,353
Facilities and Equipment	556,000		556,000
Emergency	-		-
	8,375,353	200,000	8,575,353
Special Revenue Funds			
Gas Tax	121,315		121,315
Roadway	755,000		755,000
Drainage	1,090,000		1,090,000
Public Safety Tax	-		-
COPS	175,500		175,500
General Plan Update	-		-
	\$ 10,517,168	\$ 200,000	\$ 10,717,168

**Transfers**

- From the Public Safety Tax Fund to the Operating Fund - \$866,992
- From the Operating Fund to the Facilities and Equipment Fund - \$400,000
- From the General Plan Update Fund to the Operating Fund - \$120,000

**BE IT FURTHER RESOLVED**, the Ross Town Council of the Town of Ross hereby amends the Town of Ross Salary Schedule attached hereto to reflect salary changes effective July 1, 2019.

The foregoing resolution was duly and regularly adopted by the Ross Town Council at the regular meeting held on the 13<sup>th</sup> day of June 2019, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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P. Beach Kuhl, Mayor

**ATTEST:**

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Linda Lopez, Town Clerk

**TOWN OF ROSS**  
**SALARY SCHEDULE**  
Effective July 1, 2019

		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		\$ 17,308	--	--	--	--
<b>ADMINISTRATION</b>							
<b>approved by budget</b>							
Administrative Manager/Town Clerk	Unrepresented			\$ 7,055	\$ 7,408	\$ 7,778	\$ 8,167
Town Treasurer	Unrepresented		\$ 250	--	--	--	--
Office Assistant (.45 time)	Unrepresented	\$24.65					
<b>PLANNING AND BUILDING</b>							
<b>approved by budget</b>							
Planning and Building Director	Unrepresented			\$ 10,899	\$ 11,444	\$ 12,017	\$ 12,618
Senior Building Inspector	Unrepresented			\$ 8,159	\$ 8,567	\$ 8,995	\$ 9,445
Building Permit Technician	Unrepresented			\$ 5,784	\$ 6,073	\$ 6,378	\$ 6,695
Planner	Unrepresented			\$ 6,119	\$ 6,425	\$ 6,746	\$ 7,083
<b>PUBLIC WORKS</b>							
<b>approved by budget</b>							
Public Works Director	Unrepresented			\$ 11,295	\$ 11,859	\$ 12,453	\$ 13,077
Public Works Superintendent	Unrepresented		\$ 8,971	--	--	--	--
Maintenance Worker	Unrepresented		--	\$ 4,554	\$ 4,780	\$ 5,020	\$ 5,272
<b>POLICE CHIEF</b>							
<b>approved by Resolution 2101 adopted 4/4/19</b>							
Police Chief	Unrepresented		\$ 12,732	--	--	--	--
Education pay of \$250/month, Uniform Pay \$1,000/yr							
<b>POLICE</b>							
<b>approved by Resolution No. 2113 adopted 06/13/19</b>							
Police Sergeant	Ross Police Officers Assn		--	\$ 8,234	\$ 8,646	\$ 9,078	\$ 9,533
Police Officer	Ross Police Officers Assn		--	\$ 6,978	\$ 7,326	\$ 7,694	\$ 8,078
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		\$ 7,285	--	--	--	--
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	\$12.00 - \$14.50					
Administrative Assistant	Unrepresented	\$27.30 - \$34.00					

## ATTACHMENT 2



# **TOWN OF ROSS**

## **RESOLUTION NO. 2111**

### **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, 2020**

**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 2020 shall be determined by using the change in California per capita personal income; and
3. The population factor for FYE 2020 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, 2020 is \$5,787,559 as documented in "Exhibit A" attached hereto and incorporated herein; and
5. The Town's proposed budget for the fiscal year ending June 30, 2020 anticipates \$5,447,095 in appropriations subject to the limit, which is \$340,464 less than the appropriations limit of \$5,787,559; 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, 2020 Appropriation Limit for the Town of Ross at \$5,787,559.

The foregoing resolution was duly and regularly adopted by the Ross Town Council at its regular meeting held on the 13th day of June 2019, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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P. Beach Kuhl, 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
2020	1.0385	0.9999	4,920,567
Voter approved additional amount: Public Safety Special Tax			866,992
			<u>\$ 5,787,559</u>

TOWN OF ROSS  
 APPROPRIATIONS SUBJECT TO THE LIMIT  
 BASED ON ADOPTED BUDGET FOR THE  
 FISCAL YEAR ENDED JUNE 30, 2020

EXHIBIT B

Revenue Source	TAX PROCEEDS	NON-TAX PROCEEDS	TOTAL
Property Taxes	\$ 4,060,000		\$ 4,060,000
Homeowner Property Tax Relief	18,300		18,300
Property Tax - Excess ERAF	375,000		375,000
Property Taxes in Lieu of VLF	292,000		292,000
Public Safety Special Tax	866,992		866,992
Real Property Transfer Tax	80,000		80,000
Business Licenses	45,000		45,000
Sales Tax	65,000		65,000
State Vehicle License Collection in Excess	1,200		1,200
Recreation Fees		783,100	783,100
Construction Penalties		80,000	80,000
Building Dept Revenue		872,900	872,900
Public Works Dept Revenue		94,000	94,000
Planning Fees		143,000	143,000
Co of Marin - Measure A Parks		20,460	20,460
Franchises		191,000	191,000
Miscellaneous		13,000	13,000
Miscellaneous Public Safety Revenue		28,200	28,200
Rents		236,900	236,900
Prop 172 Public Safety Sales Tax		23,000	23,000
Vehicle Code Fines		16,000	16,000
Contributions Natalie Coffin Greene Park		5,000	5,000
Contribution RPOA for downtown enhancements		20,000	20,000
	5,803,492	2,526,560	8,330,052
	69.67%	30.33%	100.00%
Interest	104,504	45,496	150,000
Total General Fund Revenue	\$ 5,907,996	\$ 2,572,056	\$ 8,480,052
Exclusions from Limitation:			
Qualified capital outlays	(255,000)		
Debt Service - MERA	(19,366)		
Federal Mandates - Social Security/medicare	(186,535)		
Appropriations subject to the limit	\$ 5,447,095		
Appropriations Limit	5,787,559		
Under limit	\$ 340,464		