



Staff Report

Date: November 13, 2014
To: Mayor Elizabeth Brekhus and Councilmembers
From: Rob Braulik, Town Manager
Subject: Fiscal Year 2015 Q1 Financial Summary Report

Recommendation

The Council is asked to accept the Fiscal Year 2015 Q1 financial summary report.

Background and discussion

The purpose of this report is to provide the Council with information on the financial condition of the Town for Fiscal Year 2015, Q1. This report covers the three month period July 1, 2014 to September 30, 2014.

Economic Indicators

U.S.

Reuven Glick, group vice president at the Federal Reserve Bank of San Francisco, states his views on the current economy and the outlook.

Real GDP grew at an annual rate of 4.6% in the second quarter, according to the latest release from the Bureau of Economic Analysis. This represented an upward revision from the prior estimates of 4.2% in late August and 4.0% in July.

The second-quarter growth rate indicates a significant rebound from the first-quarter dip of -2.1%, which was attributable to transitory factors, including bad weather, weak exports, and inventory cutbacks. Contributions from greater consumption, stronger exports, and inventory buildups boosted activity in the second quarter. After taking away the inventory bounceback effect, our forecast is for continued moderate growth at a pace of about 3%.

The most recent economic data for the third quarter have been largely in line with expectations. Retail sales and consumer spending in August were healthy. The manufacturing sector continues to expand. However, housing data remain somewhat soft. Construction spending and existing home sales eased in August, although new home sales were up.

Labor market conditions have continued to improve. Nonfarm payrolls rose by 248,000 in September, and total payroll employment in July and August were revised upward. The recent data are consistent with the view that the relatively weak August figures resulted from temporary factors such as a grocers strike in New England. Over the past six months, the economy has added an average of 245,000 jobs per month, the strongest stretch of gains since before the recession.

Employment growth this year has helped lower the unemployment rate, which edged down from 6.1% in August to 5.9% in September. However, after remaining steady in recent months, labor force participation declined in September to 62.7%, the lowest rate in several decades. We expect the unemployment rate to continue to fall.

Inflation remains subdued. Overall and core consumer prices, as measured by the price index for personal consumption expenditures, rose just 1.5% in August compared with a year earlier. This is below the Federal Open Market Committee's long-run objective of 2%. We forecast that inflation will slowly increase toward the 2% objective.

There are several risks to the outlook, particularly from abroad. These include the prospect of weaker foreign demand from abroad. Japan is growing more slowly after its consumption sales tax increase in April. Although Japan's monetary policy has been highly accommodative, concerns exist about its ability to achieve its goal of 2% inflation and whether another tax increase scheduled for next year will derail the economy further.

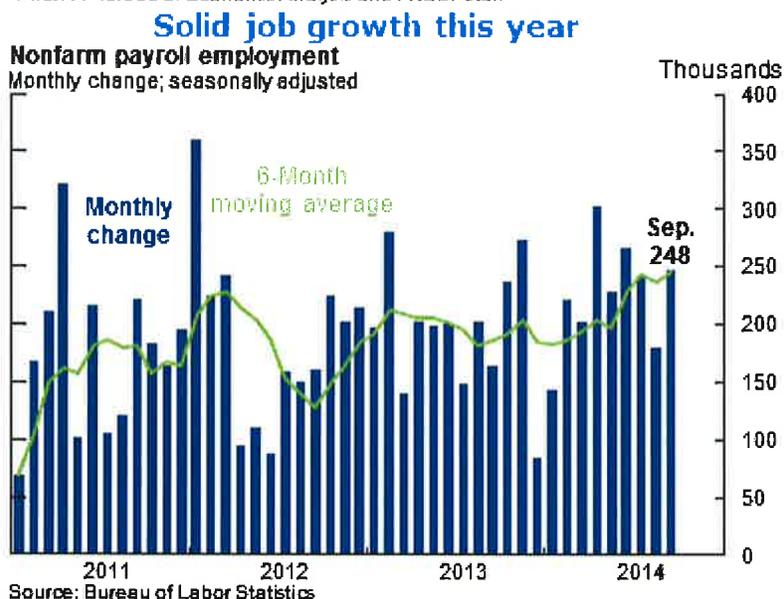
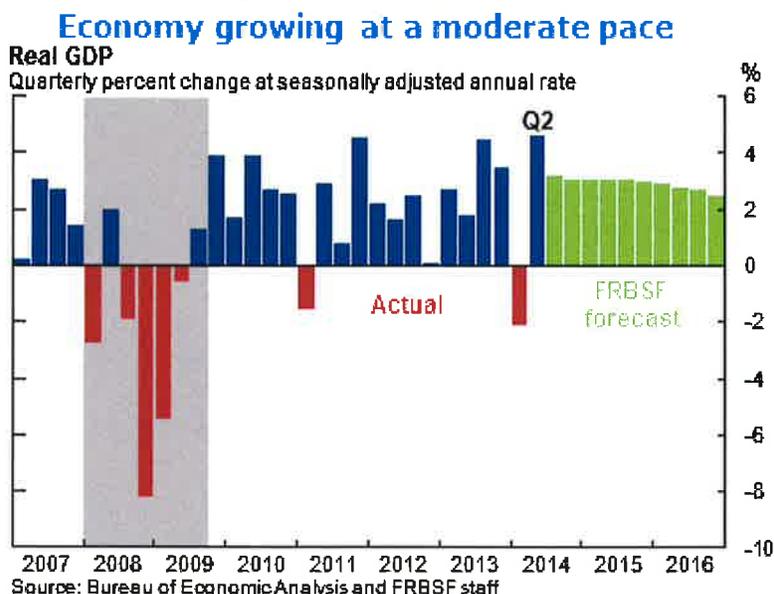
Since 2011, China's growth has been declining due to slower world growth, as well as efforts by Chinese policymakers to rely less on investment and exports and more on domestic consumption as an engine of growth. More recently, falling nationwide property and home sales have become an increasing drag on the economy, raising concerns about whether the country will meet its official target growth rate of 7.5%.

The overhang of the massive expansion of credit China created to engineer its recovery from the global recession of 2008–09 has created concerns about credit risk. This is particularly true in local government infrastructure projects and the property sector where much of the money flowed. China now faces the challenge of whether to expand credit again, implement more targeted accommodative policies, or accept lower growth.

After emerging from its most recent recession in mid-2013, euro-area GDP growth has stalled. Low growth has been accompanied by extremely low inflation. Headline inflation slowed to 0.3% in September over the 12 months prior. This is well below the European Central Bank's (ECB) target of "below, but close to," 2%. The euro area's disappointing performance has fueled uncertainty about its economic recovery and fears about the threat of deflation.

These concerns have prompted efforts by the ECB to further stimulate the economy by cutting its main policy rates further. Since June, it has lowered its refinancing rate by 20 basis points to 0.05% and its deposit rate by 20 basis points to -0.2%. In addition, the ECB announced efforts to expand its balance sheet by extending more credit to commercial banks through targeted long-term refinancing operations and by purchasing asset-backed securities and covered bonds. However, the extent to which these measures will add to the balance sheet and stimulate the economy are unclear.

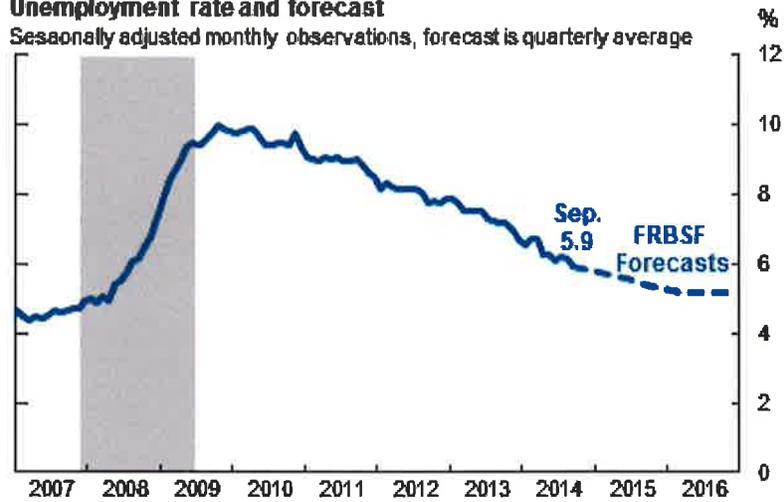
The recent appreciation of the dollar poses another risk to the U.S. outlook. Demand for the dollar has been spurred by weaker conditions abroad, global geopolitical tensions, and by expectations that U.S. interest rates will rise in the next year. The appreciation of the dollar is likely to be a drag on U.S. net exports and growth, as well as dampen import costs and U.S. inflation.



Unemployment gradually declining

Unemployment rate and forecast

Seasonally adjusted monthly observations, forecast is quarterly average

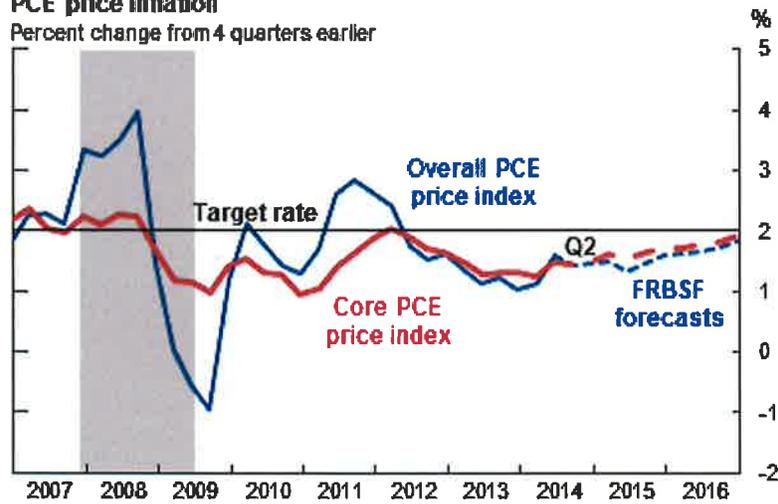


Source: Bureau of Labor Statistics and FRBSF staff

Inflation gradually returning to target

PCE price inflation

Percent change from 4 quarters earlier

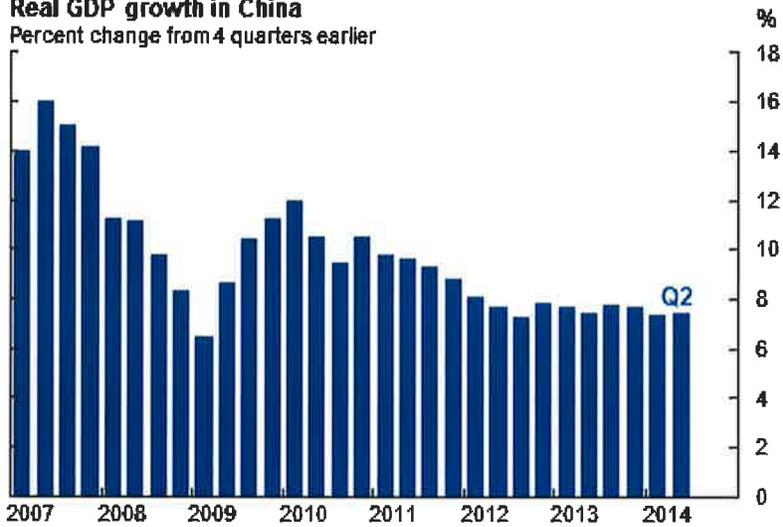


Source: Bureau of Economic Analysis and FRBSF staff

China may not meet 7.5% growth target

Real GDP growth in China

Percent change from 4 quarters earlier

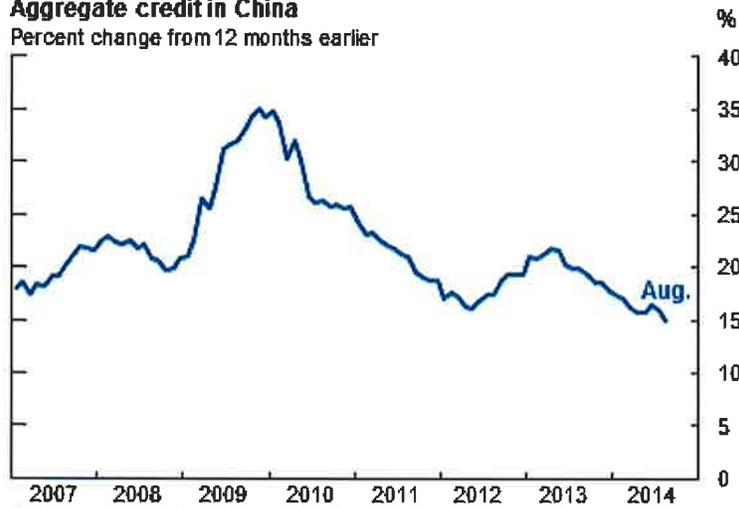


Source: CEIC

China hesitant to expand credit

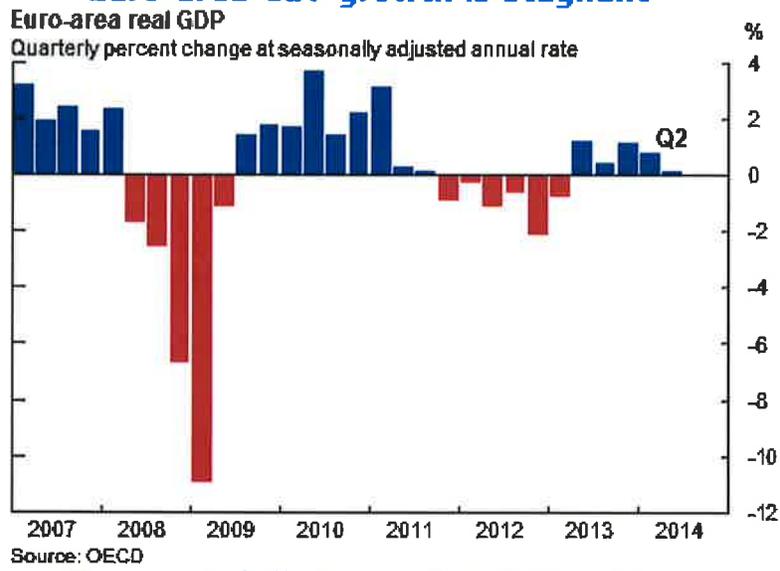
Aggregate credit in China

Percent change from 12 months earlier

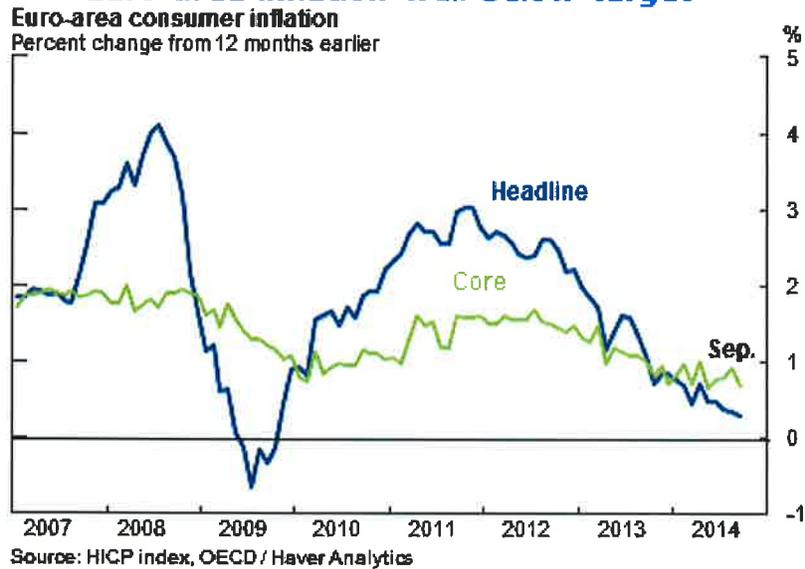


Note: Aggregate financing including bank credit and nontraditional credit (off-balance sheet and trust loans). Source: CEIC

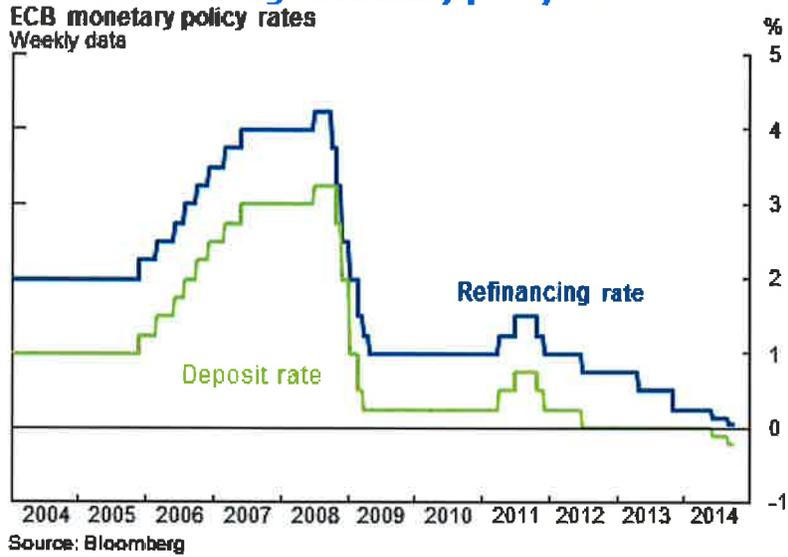
Euro-area GDP growth is stagnant



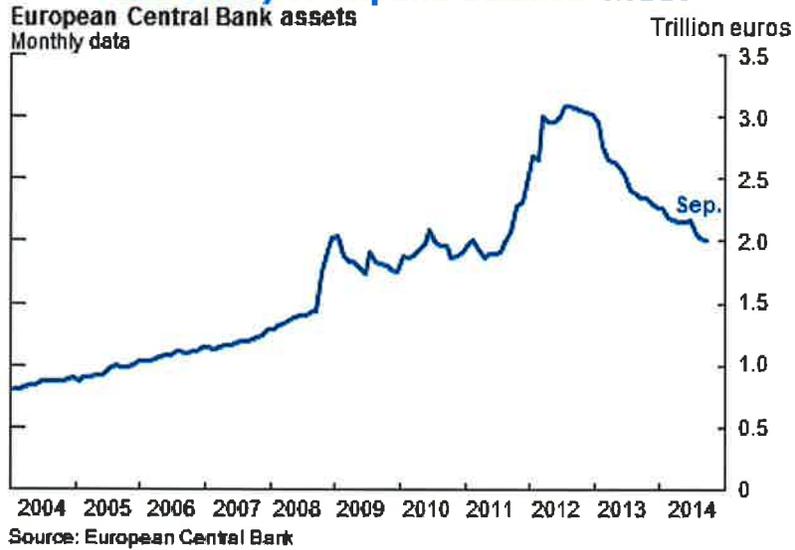
Euro-area inflation well below target



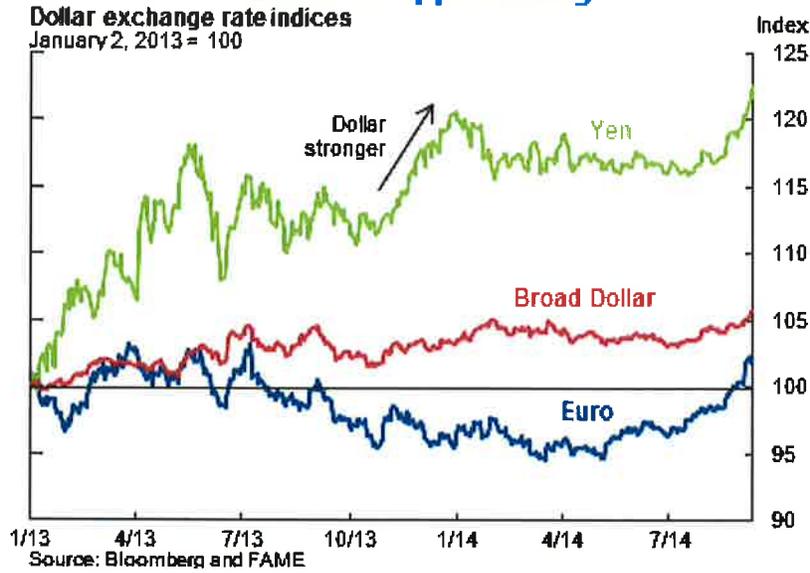
ECB cutting monetary policy rates



ECB ready to expand balance sheet



Dollar is appreciating

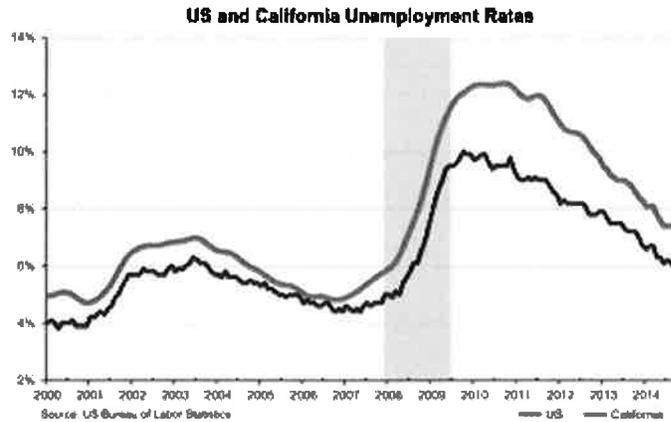


California

California's personal income showed strong growth in the first half of 2014, with growth of 5 percent compared with the first half of 2013. The labor market had broad-based gains, though the unemployment rate remained at 7.4 percent. Home prices continue to increase.

Labor Market Conditions

- California's unemployment rate was unchanged at 7.4 percent in August while the U.S. unemployment rate dropped by 0.1 percent to 6.1 percent in August. California historically has had a higher unemployment rate. This difference increased toward the end of the recent recession, and started to narrow again in the first quarter of 2011.
- Total nonfarm payroll jobs increased by 44,200, following an upwardly revised 31,500 gain in July. Only two sectors lost jobs. The trade, transportation, and utilities sector was down 8,000, and information lost 300 jobs. Despite the low number of housing permits issued, construction gained 13,600 jobs, the highest gain of all sectors. Educational and health services added 12,200 jobs and professional and business services with 10,600 jobs, were also particularly strong. Other sectors that increased were government (6,500), leisure and hospitality (2,900), other services (2,800), financial activities (2,400), manufacturing (1,400), and mining and logging (100).



Building Activity

- In August, residential permits were issued at a seasonally adjusted annual rate of 71,290 units—a decrease of 10.9 percent from July—with both single-family and multi-family units dropping. The total number of residential permits was down by 13.2 percent compared with August 2013.
- The rate of residential permits issued during the first eight months of 2014 was 82,000, slightly lower than the comparable rate of permits issued for all of 2013.
- The value of August nonresidential permits was up by 7.1 percent from July, and up by 29.9 percent from August of last year.

Real Estate

- The median price of an existing single-family detached home was \$480,280 in August, 3.3 percent higher than in July and 8.9 percent higher than a year ago. Although the median price in August was still 19 percent lower than the pre-recession peak, the pace of price appreciation has been slowing.
- The number of homes sold in August dropped 1.2 percent from a revised 398,940 in July and was down 9.3 percent from a revised 434,910 in August 2013.
- In August, there was a 4-month supply of unsold homes compared with 3.1 months a year ago. A six- to seven-month supply is considered typical in a normal market. The median number of days to sell a home rose from 35.7 days in July to 39.2 in August.



Marin

The July unemployment rate is 3.9% which is considerably lower than the national and state averages. It is also the lowest rate in the state followed by San Mateo County at 4.1%. The August median home sale price (latest figure available, DQ News) is \$841,500 vs. \$765,000 a year ago or 10% increase in the median home sale price.

Summary

For Fiscal Year 2015 based on three month results, overall operating fund revenues exceeded budget by \$155K (see Graph #1) primarily due building permits \$62K, property transfer taxes \$27K, Zero Waste grant \$22K, excess Education Revenue Augmentation Funds (ERAF) from the state \$15K, tech revenues \$13K and franchise fees \$11K. Expenditures are under budget by \$160K for the year primarily because unexpended amounts in outside services. (see Graph #4).

Operating Fund Revenue highlights for FY15, three (3) months

Property tax revenues. Payments from the County come in three installments: 55% in December, 40% in April and 5% in June. None to report to date

Sales and franchise revenues. There is no sales tax revenues to report at this time. Franchise revenues are \$9K above budget for those that pay at this time of year.

Building permits, planning application fees, technology. Building activity revenue is down compared to last year but revenues are on track to meet or exceed the annual budget. Building permits < \$108K, planning applications down < \$26K, planning construction < \$10K and technology revenues, \$18K (see graph #10).

Investment earnings. Earnings are \$5K for first three months vs. a negative \$10K as compared to the same period last year. While earnings are positive this revenue source is considerably lower than past years given the current interest rate environment. (see graph #8).

Operating Fund Expenditure highlights for FY15, Q1

Expenditures are under \$160K for the period. Department expenditures: General Government < \$53K; Public Safety (fire and police) under \$34K, Public Works and < \$71K. (see graph #4).

General Government

Attorney and Accountant expenses for outside services are \$11K below budget primarily due to fact attorney expenses are one month in arrears.

Public Safety | Police | Ross Valley Fire Department (RVFD)

Expenditures for public safety \$34K below budget with the Police Department representing \$34K of the total. Lower expenditures included police officers \$14K and CalPERS pension costs employer share. Fire expenses are right on target to budget.

Public Works | Building

Expenditures for public works and building \$71K below budget. Lower expenditures included building inspector \$15K and building plan check \$7K (one month in arrears), tree removal \$9K and some bills have yet to be paid (e.g., storm water fees).

Recreation Fund highlights

Recreation revenues

Revenues are received ahead of providing services. Kids classes are for summer and fall. Preschool revenue is for 1st semester. Historical information is presented for memo purposes only as the Town did not take on management of Ross Rec until July 1, 2014. (see graph #11).

Recreation expenditures

Expenditures are \$31K over budget. Salaries and wages are > \$34K and attorney fees are > \$6K over budget. Some of the variance is due to transition costs and the timing of expenditures. Salary and wage expense is not incurred evenly throughout the year and therefore the variance may diminish by the end of the year.

(Note | \$112,852 was transferred from Recreation to the Operating Fund to cover legal, accounting, employee and professional consulting work to transfer recreation operations to the Town).

Fiscal, resource and timeline impacts

The Q1 financial picture for the three months was positive. Overall departmental expenditures are lower than projected due in part to certain expenses have not been incurred and paid.

Alternative actions

Informational report only

Environmental review (if applicable)

N/A

Attachment

- Fiscal year 2015, Q1 Financial summary report

TOWN OF ROSS



FY 2015, Q1
QUARTERLY FINANCIAL REPORT
JULY - SEPTEMBER 2014



TOWN OF ROSS
FYE 2014
3 Month Financial Report
July 2014 - Sept, 2014

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Town of Ross
All Funds
Balance Sheets
September 30, 2014

GENERAL FUND

	<u>Operating</u>	<u>Recreation</u>	<u>Facilities and Equip</u>	<u>Legal Defense</u>	<u>Emergency</u>	<u>Gas Tax</u>	<u>Roadway</u>	<u>Drainage</u>	<u>COPS</u>	<u>Bldg Permit Excess</u>	<u>General Plan</u>	<u>Total</u>
Assets:												
Cash - Wells Fargo	(562,363)	1,009	110	206	0	115	710	284	685	47	658	(558,539)
Cash - WFB - Permits	980,283	0	0	0	0	0	0	0	0	0	0	980,283
Cash - US Bank	0	838,395	0	0	0	0	0	0	0	0	0	838,395
Cash - WFB - Tennis	0	13,009	0	0	0	0	0	0	0	0	0	13,009
Cash - LAIF	(3,262,964)	170,000	1,702,081	102,000	1,500,000	275,813	828,098	566,925	4,000	226,599	92,847	2,205,399
Investment RBC	64,478	0	0	0	0	0	0	0	0	0	0	64,478
Investment CalTRUST	5,814,044	0	0	0	0	0	0	0	0	0	0	5,814,044
Cash on Hand	250	625	0	0	0	0	0	0	0	0	0	875
Cash - Rental Prop Acct.	4,450	0	0	0	0	0	0	0	0	0	0	4,450
Accounts Receivable, net	4,800	23,460	0	0	0	0	324,877	0	0	0	0	353,137
Interest Receivable	2,159	0	0	0	0	161	576	330	3	136	55	3,420
Prepaid Expense	0	10,000	0	0	0	0	0	0	0	0	0	10,000
Total Assets	<u>3,045,137</u>	<u>1,056,498</u>	<u>1,702,191</u>	<u>102,206</u>	<u>1,500,000</u>	<u>276,089</u>	<u>1,154,261</u>	<u>567,539</u>	<u>4,688</u>	<u>226,782</u>	<u>93,560</u>	<u>9,728,951</u>
Liabilities:												
Accounts Payable	65,489	4,037	22,131	0	0	0	364,971	6,866	0	0	0	463,494
Permit Deposits Payable	980,283	0	0	0	0	0	0	0	0	0	0	980,283
Prepaid Fees	14,456	0	0	0	0	0	0	0	0	0	0	14,456
Accrued Payroll & PERS	83,430	31,655	0	0	0	0	0	0	0	0	0	115,085
Rental Property Deposit	4,450	0	0	0	0	0	0	0	0	0	0	4,450
Deferred Revenue	0	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	<u>1,148,108</u>	<u>35,692</u>	<u>22,131</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>364,971</u>	<u>6,866</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,577,768</u>
Fund Balance:												
Fund Balance Beg of Yr	2,683,434	0	1,721,061	102,206	1,500,000	264,488	1,025,398	485,842	14,264	226,646	86,742	8,110,081
Net Change Current Yr	(786,405)	1,020,806	(41,001)	0	0	11,601	(236,108)	74,831	(9,576)	136	6,818	41,102
Total Fund Balance	<u>1,897,029</u>	<u>1,020,806</u>	<u>1,680,060</u>	<u>102,206</u>	<u>1,500,000</u>	<u>276,089</u>	<u>789,290</u>	<u>560,673</u>	<u>4,688</u>	<u>226,782</u>	<u>93,560</u>	<u>8,151,183</u>
Total Fund Balance and Liabilities	<u>3,045,137</u>	<u>1,056,498</u>	<u>1,702,191</u>	<u>102,206</u>	<u>1,500,000</u>	<u>276,089</u>	<u>1,154,261</u>	<u>567,539</u>	<u>4,688</u>	<u>226,782</u>	<u>93,560</u>	<u>9,728,951</u>

Town of Ross
All Funds
Statements of Revenues and Expenditures
For the Three Months Ending September 30, 2014

GENERAL FUND

	Operating	Recreation	Facilities and Equip.	Legal Defense	Gas Tax	Roadway	Drainage	Public Safety Tax	COPS	Bldg Permit Excess	Gen Plan Update	Total
Revenues												
Property Taxes	53,425	0	0	0	0	0	0	0	0	0	0	53,425
Sales and Franchise Tax	23,204	0	0	0	0	0	0	0	0	0	0	23,204
Intergov. Revenue	34,420	0	0	0	0	0	0	0	0	0	0	34,420
Interest and Rents	60,228	0	0	0	161	576	330	0	3	136	55	61,489
Permits and Licenses	219,330	0	0	0	0	0	0	0	0	0	0	219,330
Planning	39,306	0	0	0	0	0	0	0	0	0	0	39,306
Police Revenue	1,174	0	0	0	0	0	0	0	0	0	0	1,174
Miscellaneous	7,806	0	0	0	0	0	0	0	0	0	0	7,806
Recreation	0	684,161	0	0	0	0	0	0	0	0	0	684,161
Other Fund Revenue	0	0	5,464	0	11,440	387,627	91,190	0	15,110	0	6,764	517,595
	<u>438,893</u>	<u>684,161</u>	<u>5,464</u>	<u>0</u>	<u>11,601</u>	<u>388,203</u>	<u>91,520</u>	<u>0</u>	<u>15,113</u>	<u>136</u>	<u>6,819</u>	<u>1,641,910</u>
Expenditures												
General Government	228,487	0	0	0	0	0	0	0	0	0	0	228,487
Fire	438,471	0	0	0	0	0	0	0	0	0	0	438,471
Police	403,235	0	0	0	0	0	0	0	0	0	0	403,235
Public Works	222,688	0	0	0	0	0	0	0	0	0	0	222,688
Debt Service	19,380	0	0	0	0	0	0	0	0	0	0	19,380
Capital Expenditures	887	0	0	0	0	0	0	0	0	0	0	0
Recreation	0	348,364	0	0	0	0	0	0	0	0	0	348,364
Other Fund Expenditures	0	0	71,467	0	0	624,312	16,690	0	24,689	0	0	738,045
Total Expenditures	<u>1,313,148</u>	<u>348,364</u>	<u>71,467</u>	<u>0</u>	<u>0</u>	<u>624,312</u>	<u>16,690</u>	<u>0</u>	<u>24,689</u>	<u>0</u>	<u>0</u>	<u>2,398,670</u>
Revenue Over (Under) Expenditures	<u>(874,255)</u>	<u>335,797</u>	<u>(66,003)</u>	<u>0</u>	<u>11,601</u>	<u>(236,109)</u>	<u>74,830</u>	<u>0</u>	<u>(9,576)</u>	<u>136</u>	<u>6,819</u>	<u>(756,760)</u>
Other Financing Sources												
Contribution - Ross Recr	0	797,859	0	0	0	0	0	0	0	0	0	797,859
Interfund Transfers	87,852	(112,852)	25,000	0	0	0	0	0	0	0	0	0
Total Other Sources	<u>87,852</u>	<u>685,007</u>	<u>25,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>797,859</u>
Net change in Fund Balances	<u>(786,403)</u>	<u>1,020,804</u>	<u>(41,003)</u>	<u>0</u>	<u>11,601</u>	<u>(236,109)</u>	<u>74,830</u>	<u>0</u>	<u>(9,576)</u>	<u>136</u>	<u>6,819</u>	<u>41,099</u>

Town of Ross
GENERAL FUND
Statement of Revenues and Expenditures
Actual and Budget
For the Three Months Ending September 30, 2014

	<u>Current Month</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>	<u>Annual Budget</u>	<u>%</u>
REVENUE						
Property Taxes	49,076	53,425	10,833	42,592	3,539,870	1.51 %
Other Taxes	3,266	27,084	19,160	7,924	238,015	11.38 %
Intergovernmental Revenue	1,617	34,420	13,193	21,227	52,103	66.06 %
Interest and Rents	18,825	60,228	57,048	3,180	228,192	26.39 %
Building Dept. Revenue	58,303	215,450	133,837	81,613	535,350	40.24 %
Planning	9,333	39,306	36,875	2,431	147,500	26.65 %
Police Revenue	778	1,174	4,500	(3,326)	18,400	6.38 %
Miscellaneous	5,775	7,806	8,500	(694)	25,000	31.22 %
Total Revenue	146,973	438,893	283,946	154,947	4,784,430	9.17 %
EXPENDITURES						
General Government						
Wages	32,832	100,653	99,667	986	398,670	25.25 %
Employee Benefits	8,413	41,978	46,238	(4,260)	147,944	28.37 %
Outside Services	14,891	44,645	90,103	(45,458)	347,128	12.86 %
Memberships and Organizations	1,933	7,104	10,375	(3,271)	32,500	21.86 %
Repairs and Maintenance	2,999	7,302	4,000	3,302	16,000	45.64 %
Insurance	0	15,166	15,553	(387)	16,303	93.03 %
Other	5,404	11,639	15,125	(3,486)	60,500	19.24 %
	66,472	228,487	281,061	(52,574)	1,019,045	22.42 %
Fire Department						
Employee Benefits	357	10,715	10,899	(184)	14,000	76.54 %
Ross Valley Fire Department	136,624	409,872	409,979	(107)	1,639,915	24.99 %
Insurance	0	15,166	15,303	(137)	15,303	99.10 %
Other	906	2,718	2,718	0	10,872	25.00 %
	137,887	438,471	438,899	(428)	1,680,090	26.10 %
Police Department						
Wages	53,615	162,901	182,672	(19,771)	763,324	21.34 %
Employee Benefits	34,895	154,746	169,529	(14,783)	567,118	27.29 %
Outside Services	4,228	47,387	47,808	(421)	50,545	93.75 %
Memberships and Organizations	0	630	175	455	700	90.00 %
Maintenance and Repairs	581	8,658	4,375	4,283	17,500	49.47 %
Vehicles	1,502	5,019	6,750	(1,731)	27,000	18.59 %
Insurance	32	15,198	15,553	(355)	16,303	93.22 %
Other	3,696	8,696	10,818	(2,122)	47,782	18.20 %
	98,549	403,235	437,680	(34,445)	1,490,272	27.06 %
Public Works Department						
Wages	18,048	55,188	56,189	(1,001)	226,758	24.34 %
Employee Benefits	6,336	39,506	42,043	(2,537)	123,770	31.92 %
Outside Services	17,572	56,233	90,196	(33,963)	339,641	16.56 %
Memberships and Organizations	12,023	20,994	27,858	(6,864)	30,558	68.70 %
Creek and Park Maintenance	3,358	7,178	14,875	(7,697)	59,500	12.06 %
Street Maintenance	6,660	20,966	23,000	(2,034)	92,000	22.79 %
Tree Maintenance	600	2,700	15,000	(12,300)	60,000	4.50 %
Vehicles	961	1,515	4,500	(2,985)	18,000	8.42 %
Insurance	0	15,166	15,553	(387)	16,303	93.03 %
Other	1,387	3,242	4,150	(908)	16,600	19.53 %
	66,945	222,688	293,364	(70,676)	983,130	22.65 %

Town of Ross
GENERAL FUND
Statement of Revenues and Expenditures
Actual and Budget
For the Three Months Ending September 30, 2014

	<u>Current Month</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>	<u>Annual Budget</u>	<u>%</u>
Debt Service						
MERA Debt Payments	0	19,380	19,380	0	19,380	100.00 %
Principal - Co of Marin	0	0	0	0	184,000	0.00 %
Interest - Co of Marin	0	0	0	0	19,320	0.00 %
	<u>0</u>	<u>19,380</u>	<u>19,380</u>	<u>0</u>	<u>222,700</u>	<u>8.70 %</u>
Capital Expenditures						
Technology Equip - Gen Gov	0	685	1,875	(1,190)	7,500	9.13 %
Technology Equip - Pub Works	0	0	625	(625)	2,500	0.00 %
Ergonomic Furniture-ABAG Grant	0	0	375	(375)	1,500	0.00 %
Police Equip - see donation	0	202	0	202	0	0.00 %
	<u>0</u>	<u>887</u>	<u>2,875</u>	<u>(1,988)</u>	<u>11,500</u>	<u>7.71 %</u>
Tota Expenditures	<u>369,853</u>	<u>1,313,148</u>	<u>1,473,259</u>	<u>(160,111)</u>	<u>5,406,737</u>	<u>24.29 %</u>
Revenues Over(Under) Expenditures	(222,880)	(874,255)	(1,189,313)	315,058	(622,307)	140.49 %
Xfer from Public Safety Tax Fn	0	0	0	0	795,350	0.00 %
Xfer from Recreation Fund	0	112,852	115,000	(2,148)	115,000	98.13 %
Xfer from Facilities & Equip F	0	(25,000)	(25,000)	0	(25,000)	100.00 %
	<u>0</u>	<u>87,852</u>	<u>90,000</u>	<u>(2,148)</u>	<u>785,350</u>	<u>14.53 %</u>
Net Change in Fund Balance	<u>(222,880)</u>	<u>(786,403)</u>	<u>(1,099,313)</u>	<u>312,910</u>	<u>\$ 263,043</u>	<u>(298.96) %</u>

Town of Ross
General Fund
RECREATION FUND
Statement of Revenues and Expenditures
Actual and Budget
For the Three Months Ending September 30, 2014

		<u>Current Month</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>	<u>Annual Budget</u>	<u>%</u>
REVENUE							
5350-95	Adult Classes	5,222	7,022	4,000	3,022	\$ 16,000	43.89 %
5352-95	Kids Classes	211,867	458,991	450,000	8,991	789,000	58.17 %
5354-95	Middle School Baseball	0	0	0	0	1,500	0.00 %
5356-95	Applications	100	175	250	(75)	1,000	17.50 %
5358-95	Garden School	122,309	122,309	100,500	21,809	201,000	60.85 %
5360-95	St. John's Preschool	97,263	97,263	90,750	6,513	181,500	53.59 %
5361-95	Tennis Revenue	400	3,400	750	2,650	3,000	113.33 %
5362-95	Credit Card Fees	(63)	(4,999)	(5,750)	751	(23,000)	21.73 %
Total Revenue		437,098	684,161	640,500	43,661	1,170,000	58.48 %
EXPENDITURES							
Wages							
6180-95	Recreation Manager	6,120	18,885	20,000	(1,115)	80,000	23.61 %
6182-95	Recreation Specialist	2,539	12,484	8,173	4,311	32,690	38.19 %
6184-95	Admin Assistant	2,736	14,860	7,370	7,490	29,480	50.41 %
6186-95	Admin Clerk	1,373	5,532	3,191	2,341	12,765	43.34 %
6188-95	Preschool Teachers- Garden	13,257	14,279	9,800	4,479	98,000	14.57 %
6190-95	Preschool Teachers- St. John's	9,883	11,925	9,000	2,925	90,000	13.25 %
6192-95	Program Payroll	13,038	85,087	71,454	13,633	168,000	50.65 %
6193-95	Tennis Instructor	0	0	375	(375)	1,500	0.00 %
Employee Benefits							
6200-95	PERS - Employee Share	0	0	0	0	0	0.00 %
6210-95	PERS - Employer Share	1,068	1,842	2,207	(365)	8,826	20.87 %
6220-95	Payroll Taxes	6,095	16,876	13,910	2,966	55,642	30.33 %
6230-95	Cafeteria Plan/Health	0	650	4,718	(4,068)	18,874	3.44 %
6232-95	OPEB - Retiree Health	0	1,000	1,000	0	1,000	100.00 %
6240-95	Dental Insurance	0	0	309	(309)	1,236	0.00 %
6250-95	Life & Disability Insurance	50	151	5,000	(4,849)	20,000	0.76 %
6260-95	Worker's Comp Insurance	0	11,650	5,271	6,379	21,082	55.26 %
Outside Services							
6400-95	Accountant	2,151	5,001	4,187	814	16,750	29.86 %
6420-95	Attorneys	4,590	6,233	625	5,608	2,500	249.32 %
6430-95	Audit	0	0	1,250	(1,250)	5,000	0.00 %
8206-95	Brochure	3,166	3,166	4,625	(1,459)	18,500	17.11 %
6660-95	Custodial Services	946	2,782	3,350	(568)	13,400	20.76 %
6448-95	Consultants - Other	12	965	2,500	(1,535)	10,000	9.65 %
6449-95	Consultants - Program	6,780	42,309	48,900	(6,591)	195,600	21.63 %
6450-95	Consultants - Website	4,350	4,350	1,375	2,975	5,500	79.09 %
6465-95	Payroll Processing Fees	277	277	0	277	0	0.00 %
Rent							
8033-95	Rent - Garden School	10,000	10,000	9,000	1,000	90,000	11.11 %
8034-95	Rent - Pixie Park	0	0	1,500	(1,500)	6,000	0.00 %
8035-95	Rent - St. John's School	5,067	7,527	4,473	3,054	24,600	30.60 %
8036-95	Rent - Program	2,892	2,892	2,125	767	8,500	34.02 %
Maintenance and Repairs							
6931-95	Equipment Repairs - Playground	0	0	250	(250)	1,000	0.00 %
7020-95	Park Maint. - Ross Common	0	0	3,750	(3,750)	15,000	0.00 %
7032-95	Tennis Court Maintenance	240	720	375	345	1,500	48.00 %
6932-95	Maintenance - Other	0	0	125	(125)	500	0.00 %
Insurance							
8000-95	Insurance	583	15,749	15,303	446	15,303	102.91 %
8020-95	Insurance Claims/Costs	0	0	250	(250)	1,000	0.00 %
Other - Preschool Expense							
8202-95	Licensing	440	440	110	330	440	100.00 %
8098-95	Supplies - Garden School	3,855	3,855	1,875	1,980	7,500	51.40 %
8099-95	Supplies - St. John's	2,291	2,513	1,875	638	7,500	33.51 %
7920-95	Training and Classes	0	0	425	(425)	1,700	0.00 %
Other - Program Expense							
8250-95	Program Expense for Classes	6,989	38,536	35,000	3,536	80,000	48.17 %
8252-95	Middle School Baseball Expense	0	0	375	(375)	1,500	0.00 %
Other							
8204-95	Advertising	0	0	1,000	(1,000)	4,000	0.00 %
6466-95	Bank Charges	0	0	38	(38)	150	0.00 %
8040-95	Miscellaneous	1,036	1,153	0	1,153	0	0.00 %
8208-95	Postage	410	410	225	185	900	45.56 %

FOR MANAGEMENT USE ONLY.

Town of Ross
 General Fund
RECREATION FUND
 Statement of Revenues and Expenditures
 Actual and Budget
 For the Three Months Ending September 30, 2014

	<u>Current Month</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>	<u>Annual Budget</u>	<u>%</u>
8130-95 Supplies	89	2,533	1,750	783	7,000	36.19 %
7810-95 Telephones	702	1,732	1,125	607	4,500	38.49 %
7820-95 Utilities	0	0	625	(625)	2,500	0.00 %
Capital Expenditures						
9094-95 Playground Equipment	0	0	5,000	(5,000)	20,000	0.00 %
Debt Service						
8525-95 Lease payment to Ross School	0	0	2,378	(2,378)	9,514	0.00 %
Total Expenditures	<u>113,025</u>	<u>348,364</u>	<u>317,542</u>	<u>30,822</u>	<u>1,216,952</u>	<u>28.63 %</u>
Revenue Over(Under) Expendi	<u>324,073</u>	<u>335,797</u>	<u>322,958</u>	<u>12,839</u>	<u>\$ (46,952)</u>	<u>(715.19) %</u>

Town of Ross
General Fund
Statements of Revenues and Expenditures
For the Three Months Ending September 30, 2014

<u>REVENUE</u>	FACILITIES & EQUIPMENT		LEGAL DEFENSE		EMERGENCY	
	<u>YTD Actual</u>	<u>Budget For Year</u>	<u>YTD Actual</u>	<u>Budget For Year</u>	<u>YTD Actual</u>	<u>Budget For Year</u>
5311-66 Construction Penalties	5,464	100,000	0	0	0	0
5281-66 Ross School Ball Field Contrib	0	10,000	0	0	0	0
Total Revenue	5,464	110,000	0	0	0	0
<u>EXPENDITURES</u>						
Facilities Maintenance and Repairs						
9096-66 Public Safety Station Repairs	0	15,000	0	0	0	0
9098-66 Corp Yard Bldg Sealing	7,200	16,000	0	0	0	0
9097-66 Corp Yrd Wood Fencing	8,459	9,000	0	0	0	0
9110-66 Ross Common Pathway	0	5,000	0	0	0	0
9056-66 Street Trees	0	5,000	0	0	0	0
9093-66 Town Hall Landscaping	0	3,000	0	0	0	0
9104-66 Town Hall Signage	7,588	4,000	0	0	0	0
Facilities Capital Improvements						
9063-66 Ball Field Improvements	0	55,000	0	0	0	0
9142-66 Fire Transition Office Remodel	2,705	150,000	0	0	0	0
9099-66 Town Hall Painting	0	25,000	0	0	0	0
9089-66 Town Hall Windows	3,813	35,000	0	0	0	0
9101-66 Town Hall Window Coverings	0	5,000	0	0	0	0
Equipment						
8700-66 RVFD Equipment Replacement	31,279	30,368	0	0	0	0
Debt Service						
8526-66 Police Car - Payments	10,423	33,340	0	0	0	0
Total Expenditures	71,467	390,708	0	0	0	0
Excess (Deficiency) of Revenue Over Expenditures	(66,003)	(280,708)	0	0	0	0

Town of Ross
SPECIAL REVENUE FUNDS
 Statements of Revenues and Expenditures
 For the Three Months Ending September 30, 2014

<u>REVENUE</u>	GAS TAX		ROADWAY		DRAINAGE	
	<u>YTD Actual</u>	<u>Budget For Year</u>	<u>YTD Actual</u>	<u>Budget For Year</u>	<u>YTD Actual</u>	<u>Budget For Year</u>
5120-51 State Gas Tax Revenue	11,440	66,630	0	0	0	0
5115-45 Road Impact Fees	0	0	81,328	230,000	0	0
5122-45 HSIP Grant for SFD/Lag Rd Int	0	0	306,299	388,900	0	0
5506-45 MTC Pavement Mgmt Report	0	0	0	8,000	0	0
5504-45 TAM A-S3.2 Local Roads	0	0	0	35,067	0	0
5503-45 TAM OBAG-Bolinas Pedestr Impr	0	0	0	145,000	0	0
5115-65 Drainage Impact Fee	0	0	0	0	91,190	250,000
5137-65 HBP - 3 Bridges, BPM	0	0	0	0	0	58,000
5141-65 HBP - Glenwood Bridge Scour	0	0	0	0	0	32,000
5140-65 HBP - Winship Bridge	0	0	0	0	0	404,045
Interest Income	161	500	576	1,500	330	750
Total Revenue	11,601	67,130	388,203	808,467	91,520	744,795
<u>EXPENDITURES</u>						
9002-51 Road Repair/Improvements	0	63,630	0	0	0	0
9143-51 Roadway Striping/Curb Painting	0	3,500	0	0	0	0
9125-45 ADA Compliance	0	0	2,700	25,000	0	0
9076-45 Bolinas Pedest Improve-OBAG	0	0	53	200,000	0	0
9103-45 Bolinas & SFD Median Island	0	0	17,750	85,000	0	0
9072-45 High Intensity Reflect Signs	0	0	5,632	25,000	0	0
9078-45 MTC Pavement Mgmt Report	0	0	110	5,000	0	0
9040-45 Road Improvements	0	0	22,803	133,000	0	0
9042-45 SFD/Lagunitas Intersection	0	0	575,264	744,566	0	0
9007-65 Drainage Improvements	0	0	0	0	0	40,000
9054-65 HBP - 3 Bridges, BRLS-5176	0	0	0	0	2,385	81,000
9102-65 HBP - Glenwood Bridge Scour	0	0	0	0	0	46,000
9064-65 HBP - Winship Bridge	0	0	0	0	14,305	404,045
Total Expenditures	0	67,130	624,312	1,217,566	16,690	571,045
Excess (Deficiency) of Revenue Over Expenditures	11,601	0	(236,109)	(409,099)	74,830	173,750

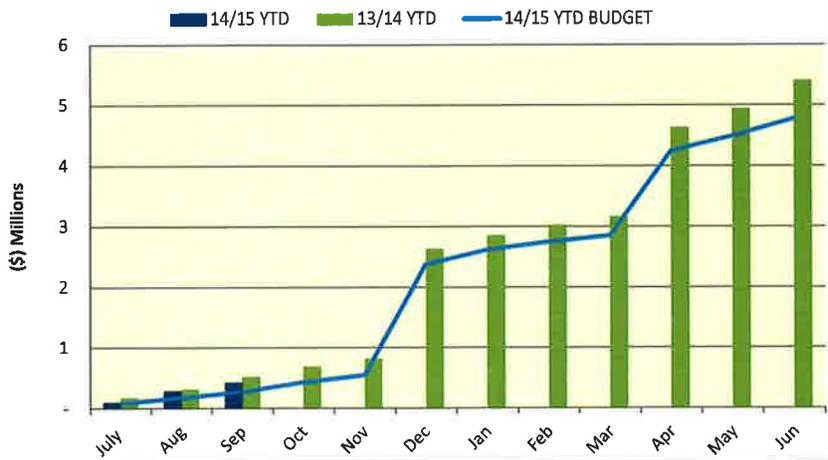
Town of Ross
SPECIAL REVENUE FUNDS
 Statements of Revenues and Expenditures
 For the Three Months Ending September 30, 2014

	PUBLIC SAFETY TAX FUND		COPS		BUILDING PERMIT EXCESS		GEN PLAN UPDATE	
	YTD Actual	Budget For Year	YTD Actual	Budget For Year	YTD Actual	Budget For Year	YTD Actual	Budget For Year
REVENUE								
5020-40 Public Safety Tax	0	711,450	0	0	0	0	0	0
5120-90 COPS - State Grant	0	0	15,110	100,000	0	0	0	0
5135-73 General Plan Impact Fees	0	0	0	0	0	0	6,764	35,000
Interest Income	0	0	3	0	136	500	55	100
Total Revenue	0	711,450	15,113	100,000	136	500	6,819	35,100
EXPENDITURES								
9000-90 Front Line Police Personnel	0	0	24,689	100,000	0	0	0	0
9002-73 General Plan Implementatio	0	0	0	0	0	0	0	10,000
Total Expenditures	0	0	24,689	100,000	0	0	0	10,000
Excess (Deficiency) of Revenue Over Expend.	0	711,450	(9,576)	0	136	500	6,819	25,100

OPERATING FUND REVENUE vs BUDGET

Graph #1

	14/15 Actual	14/15 Budget	Variance
July	\$ 104,740	\$ 89,414	\$ 15,326
Aug	187,179	94,726	92,453
Sep	146,974	99,809	47,165
Oct	-	156,809	-
Nov	-	117,309	-
Dec	-	1,830,084	-
Jan	-	236,623	-
Feb	-	130,854	-
Mar	-	103,558	-
Apr	-	1,402,332	-
May	-	233,718	-
Jun	-	289,194	-
Total	\$ 438,893	\$ 4,784,430	\$ 154,944



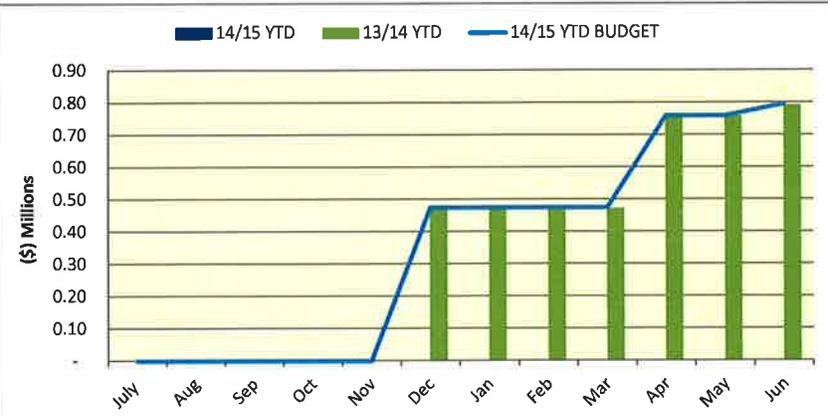
Revenues exceed year to date budget primarily because: Excess ERAF funds +\$15K, property transfer tax +\$27K, franchise +11K, Marin Co Zero Waste grant +\$22K, building permits +\$62K, and technology fees +\$13K

Cable TV

PUBLIC SAFETY TAX FUND REVENUE vs BUDGET (including \$83,900 transfer from Legal Defense Fund)

Graph #2

	14/15 Actual	14/15 Budget	Variance
July	\$ -	\$ -	\$ -
Aug	-	-	-
Sep	-	-	-
Oct	-	-	-
Nov	-	-	-
Dec	-	474,857	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	284,835	-
May	-	-	-
Jun	-	35,658	-
Total	\$ -	\$ 795,350	\$ -

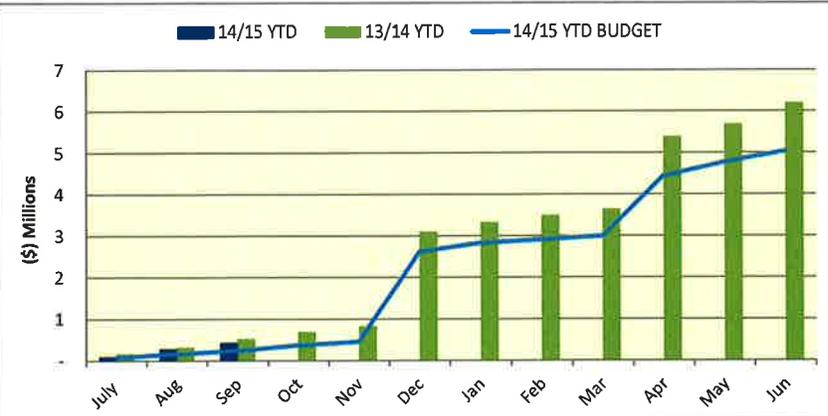


The parcel tax was set at \$950. Residents were billed \$850 with the balance to being contributed by remaining money in the Legal Defense Fund. The budget estimated 839 billable parcels.

OPERATING FUND & PUBLIC SAFETY TAX FUND REVENUES COMBINED vs BUDGET

Graph #3

	14/15 Actual	14/15 Budget	Variance
July	104,740	\$ 89,414	\$ 15,326
Aug	187,179	94,726	92,453
Sep	146,975	99,809	47,166
Oct	-	156,809	-
Nov	-	117,309	-
Dec	-	2,304,941	-
Jan	-	236,623	-
Feb	-	130,854	-
Mar	-	103,558	-
Apr	-	1,687,167	-
May	-	233,718	-
Jun	-	324,852	-
Total	\$ 438,894	\$ 5,579,780	\$ 154,945

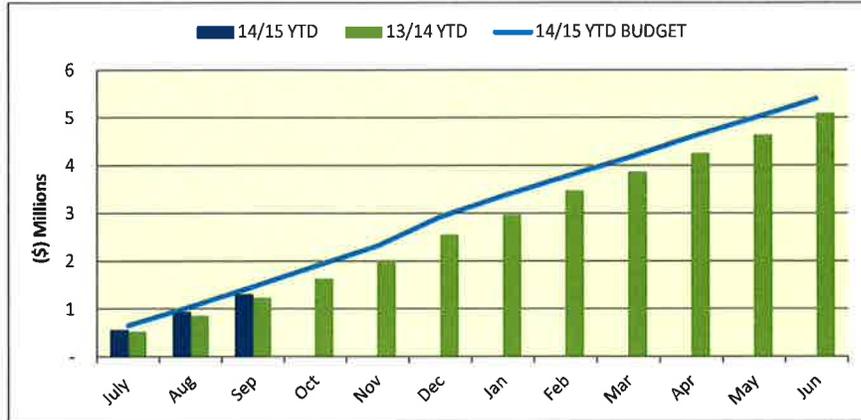


This graph combines revenue from the Operating Fund and Public Safety Tax Fund including a transfer from the Legal Defense Fund.

OPERATING FUND EXPENDITURES vs BUDGET

Graph #4

	14/15 Actual	14/15 Budget	Variance
July	\$ 570,970	\$ 659,796	\$ (88,826)
Aug	372,325	400,146	(27,821)
Sep	369,853	413,317	(43,464)
Oct		431,782	
Nov		425,408	
Dec		605,090	
Jan		437,845	
Feb		399,769	
Mar		399,770	
Apr		427,277	
May		399,770	
Jun		406,767	
Total	\$ 1,313,148	\$ 5,406,737	\$ (160,111)

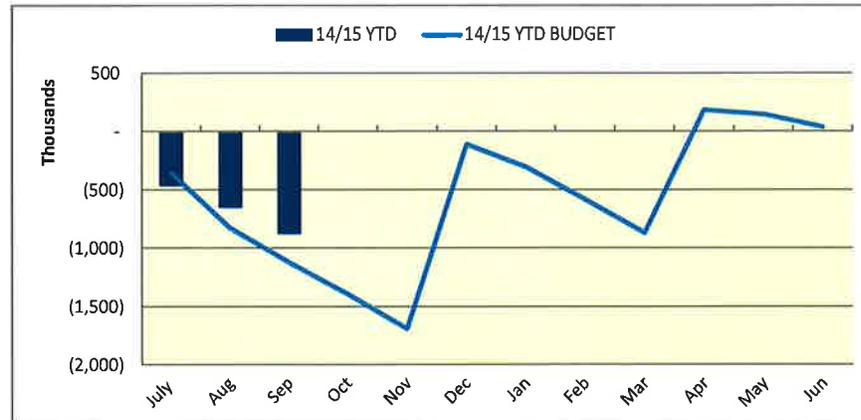


Expenditures are under budget for the year primarily because of unexpended amounts in outside services.

OPERATING and PUBLIC SAFETY TAX REVENUES OVER (UNDER) EXPENDITURES vs BUDGET

Graph #5

	14/15 Actual	14/15 Budget	Variance
July	\$ (466,230)	\$ (570,382)	\$ 104,152
Aug	(185,146)	(305,420)	120,274
Sep	(222,878)	(313,508)	90,630
Oct		(274,973)	
Nov		(308,099)	
Dec		1,699,851	
Jan		(201,222)	
Feb		(268,915)	
Mar		(296,212)	
Apr		1,259,890	
May		(166,052)	
Jun		(81,915)	
Total	\$ (874,254)	\$ 173,043	\$ 315,056

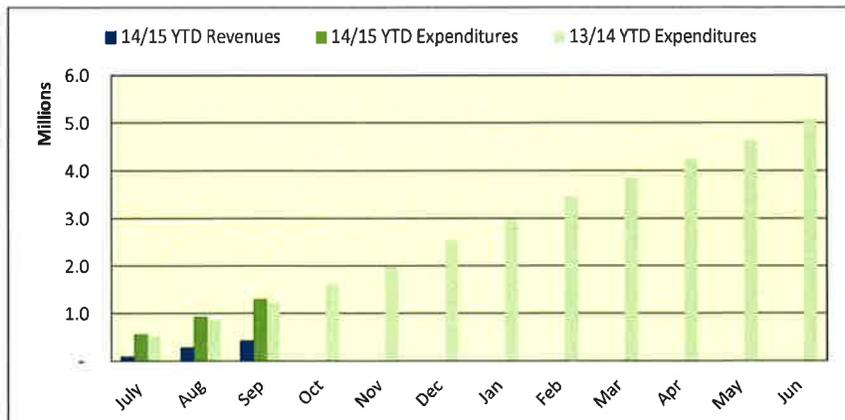


Operating and Public Safety Tax revenues are \$155K higher than budgeted and expenditures are \$160K less than budgeted resulting in a \$315K positive variance.

OPERATING and PUBLIC SAFETY TAX REVENUES vs EXPENDITURES

Graph #6

	14/15 Actual Revenues	14/15 Actual Expenditures	Net
July	\$ 104,740	\$ 570,970	\$ (466,230)
Aug	187,179	372,325	(185,146)
Sep	146,975	369,853	(222,878)
Oct	-	-	-
Nov	-	-	-
Dec	-	-	-
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	-	-	-
May	-	-	-
Jun	-	-	-
Total	\$ 438,894	\$ 1,313,148	\$ (874,254)

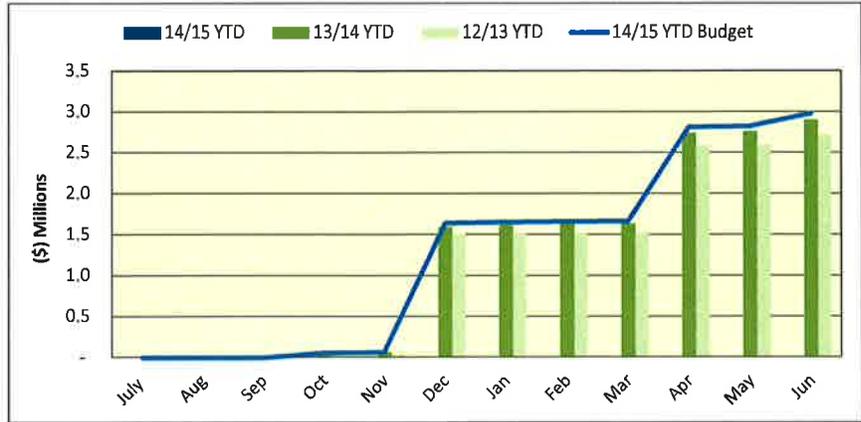


Expenditures exceeded operating and public safety tax revenues by \$874K.

BASIC PROPERTY TAXES (A/n 5010)

Graph #7

	14/15 Actual	13/14 Actual	Difference b/tween Yrs
July	\$ -	\$ -	\$ -
Aug	266	-	266
Sep	881	449	432
Oct		58,967	
Nov		8,011	
Dec		1,527,945	
Jan		23,102	
Feb		13,962	
Mar		5,388	
Apr		1,106,941	
May		20,019	
Jun		141,272	
Total	\$ 1,147	\$ 2,906,056	\$ 698



Basic property taxes represent 62% of budgeted Operating Fund revenues. Property owners pay in two installments, December 10th and April 10th. The County remits receipts as follows: 55% in December, 40% in April, and 5% in June.

INVESTMENT INCOME FROM LAIF, RBC, AND CALTRUST - Operating Fund

Graph #8

	14/15 Actual	13/14 Actual	Difference b/tween Yrs
July	\$ 1,510	\$ (7,773)	\$ 9,283
Aug	1,788	(2,221)	4,009
Sep	1,757	(154)	1,911
Oct		5,661	
Nov		(2,974)	
Dec		8,854	
Jan		1,896	
Feb		709	
Mar		3,006	
Apr		1,371	
May		2,061	
Jun		2,441	
Total	\$ 5,055	\$ 12,877	\$ 15,203



LAIF balance at 9/30/14 was \$2.2M earning .24%, RBC was \$64K, CalTrust was \$5.3M earning .01% - .41%. In the current quarter \$500K was transferred from LAIF into Wells Fargo (WFB), \$146,494 from RBC into WFB, and \$500K from Wells Fargo to CalTrust.

BUILDING DEPARTMENT AND PLANNING REVENUES

Graph #9

	14/15 Actual	13/14 Actual	Difference b/tween Yrs
July	\$ 73,738	\$ 152,832	\$ (79,094)
Aug	113,381	107,689	5,692
Sep	67,636	165,927	(98,291)
Oct		57,056	
Nov		72,997	
Dec		71,238	
Jan		39,117	
Feb		90,016	
Mar		81,668	
Apr		151,597	
May		105,840	
Jun		167,512	
Total	\$ 254,755	\$ 1,263,489	\$ (171,693)



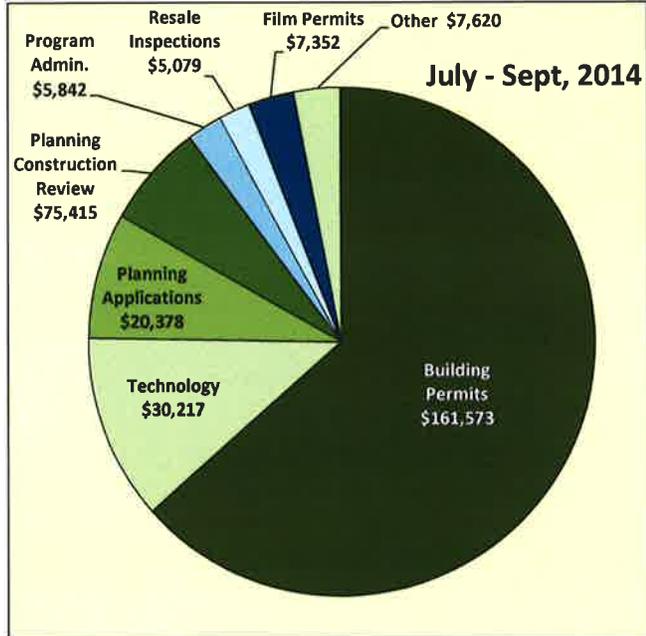
Building activity fluctuates from month to month depending upon project applications.

BUILDING DEPARTMENT AND PLANNING REVENUES

Graph #10

	14/15 July - Sept Revenues	Annual Budget	Variance
Building Permits	\$ 161,573	400,000	\$ (238,427)
Technology	30,217	70,000	(39,783)
Planning Applications	20,378	90,000	(69,622)
Planning Const Review	16,695	50,000	(33,305)
Program Administration	5,842	15,000	(9,158)
Resale Inspections	5,079	25,000	(19,921)
Film Permits	7,352	5,000	2,352
Other	7,620	27,850	(20,230)
	<u>\$ 254,756</u>	<u>\$ 682,850</u>	<u>\$ (428,094)</u>

	14/15 July - Sept Revenues	13/14 July - Sept Revenues	Difference b/tween Yrs
Building Permits	\$ 161,573	\$ 269,765	\$ (108,192)
Technology	30,217	56,230	(26,013)
Planning Applications	20,378	30,587	(10,209)
Planning Const Review	16,695	35,077	(18,382)
Program Administration	5,842	10,294	(4,452)
Resale Inspections	5,079	9,199	(4,120)
Film Permits	7,352	-	
Other	7,620	15,296	(7,676)
	<u>\$ 254,756</u>	<u>\$ 426,448</u>	<u>\$ (179,044)</u>



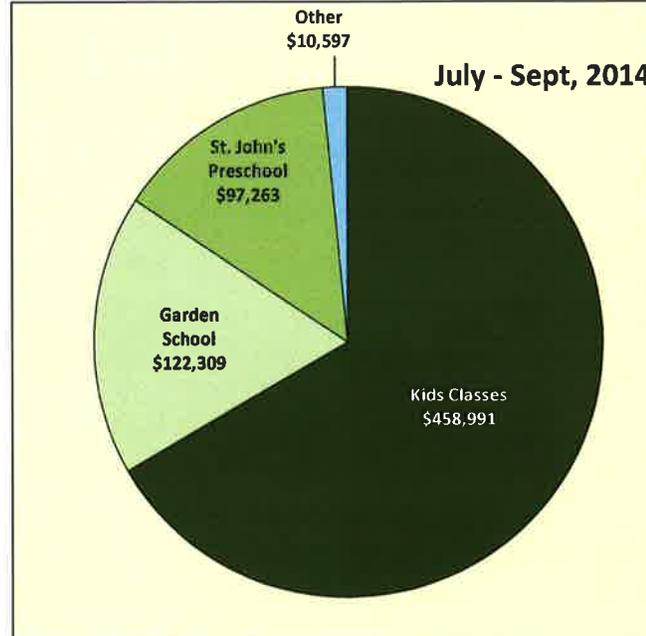
Building activity revenue is down compared to last year but revenues are on track to meet or exceed the annual budget.

RECREATION REVENUES

Graph #11

	14/15 July - Sept Revenues	Annual Budget	Variance
Kids Classes	\$ 458,991	789,000	\$ (330,009)
Garden School	122,309	201,000	(78,691)
St. John's Preschool	97,263	181,500	(84,237)
Other	10,597	21,500	(10,903)
Program Administration	<u>\$ 689,160</u>	<u>\$ 1,193,000</u>	<u>\$ (503,840)</u>

	14/15 July - Sept Revenues	13/14 July - Sept Revenues	Variance
Kids Classes	\$ 458,991	475,751	\$ (16,760)
Garden School	122,309	101,167	21,142
St. John's Preschool	97,263	96,779	484
Other	10,597	5,407	5,190
Program Administration	<u>\$ 689,160</u>	<u>\$ 679,104</u>	<u>\$ 10,056</u>



Recreation revenues are received ahead of providing services. Kids classes are for summer and fall. Preschool revenue is for 1st semester. Historical information is presented for memo purposes only as the Town did not take on management of Ross Rec until July 1, 2014.