



Staff Report

Date: September 11, 2014
To: Mayor Elizabeth Brekhus and Council Members
From: Town Manager
Subject: Fiscal Year 2014 Q4 Financial Summary Report

Recommendation

The Council is asked to accept the Fiscal Year 2014 Q4 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's General Fund (GF) for Fiscal Year 2014, Q4 (April – June). Therefore, with this fourth quarter data, twelve months of information is shown.

Economic Indicators

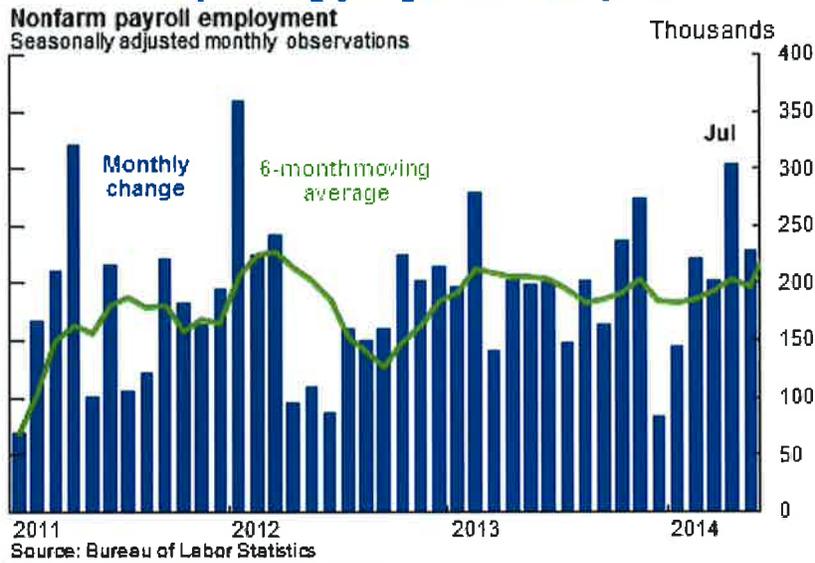
U.S.

Michael Bauer, economist at the Federal Reserve Bank of San Francisco, states his views on the current economy and the outlook.

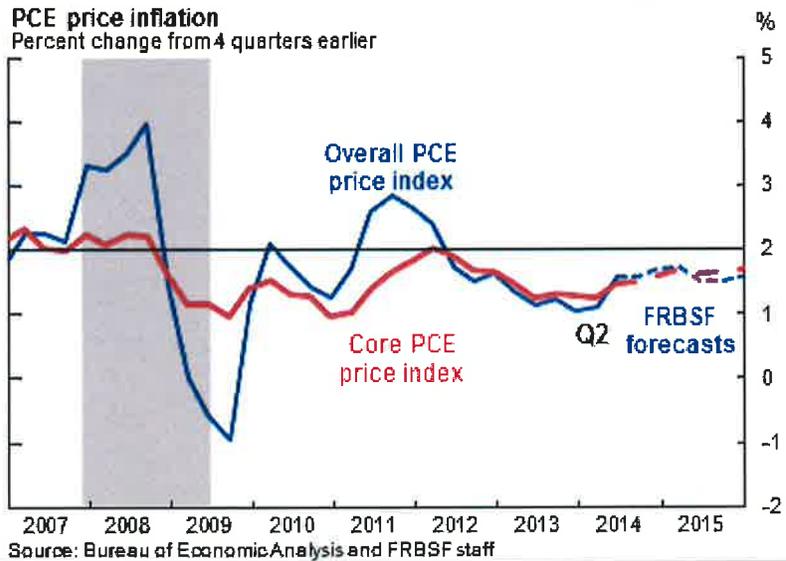
- Real GDP rebounded strongly in the second quarter of 2014, as expected. This followed an anomalous dip in the first quarter caused mainly by transitory factors such as unusually severe winter weather. The increase in real output was broad-based, with gains in consumer spending, investment, government expenditures, and exports. We expect steady growth through 2015, at an average annual rate slightly above 3%.
- Conditions in labor markets have improved further, also in line with our expectations. The unemployment rate continued its downward trend throughout the first part of the year. A slight uptick in July was due to an increase in the number of people starting to look for jobs again, that is, increasing labor market participation, which we see as a positive sign. Strong job creation has been another encouraging sign that the labor market is healing. Despite these improvements, which we expect to continue, other indicators suggest there is still a significant amount of slack in the labor market. Importantly, wage growth remains subdued, indicating that the economy is not yet close to full employment.

- Broader trends in inflation suggest it is gradually approaching the Federal Open Market Committee's long-run objective of 2%. Inflation data in the second quarter came in slightly higher than earlier in the year, but most of the increases were in categories with volatile prices. As a result, these numbers probably overstate the true rate somewhat. Hence we expect inflation to moderate in the second half of this year and then gradually increase toward levels consistent with the FOMC's objective.
- Financial conditions have been highly supportive of continued growth in the economy. In particular, long-term interest rates receded over the first half of this year, which should further encourage consumer spending, the recovery in the housing market, and business investment.
- The stability of the financial system is fundamental for a healthy, growing economy. One aspect of financial stability is the soundness of asset markets, reflected in indicators such as valuations, volatility of market prices, and investor leverage. Recently, there have been concerns about the stability in some equity and bond markets. Valuations in certain segments of equity markets appear stretched relative to fundamentals. And in the market for risky corporate debt—the high-yield bond market—spreads of interest rates over those of safe Treasury bonds have been very low relative to the historical average.
- Importantly, volatility in equity markets has been near historically low levels as indicated by the level of the VIX, an index that measures the volatility of Standard & Poor's 500 equity index using option prices. It is sometimes nicknamed the "investor fear gauge" since it reflects the anxiety of equity investors. Currently, the VIX is well below its historical average. One interpretation is that investors have not been very worried about risks to the economic outlook. The picture is similar in bond markets, where volatility is currently quite low as well.
- This low volatility environment contrasts with significant risks to the economic outlook, such as geopolitical turmoil in the Middle East, a potential property bust in China, and deflation and stagnation in Europe, to name a few. Investors currently appear to be complacent about these risks.
- This apparent investor complacency could result in abrupt reversals of financial asset prices and spikes in volatility in response to unexpected developments. However, we believe that such changes in asset prices would not substantially tighten overall financial conditions and therefore should have only limited effects on the economy.
- The reason is that, overall, the financial system appears to be on solid footing. For example, banks' capital ratios have improved, the degree of leverage in the financial sector is relatively low, and there is ample liquidity available in the system. Still, although we are not overly concerned about the low volatility environment in financial markets at this time, we will continue to carefully monitor the health of asset markets for signs of distress.

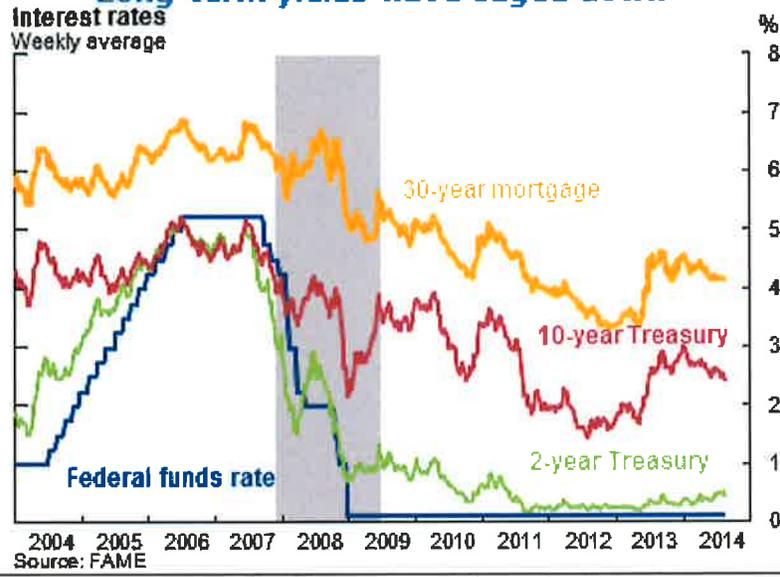
Very strong job growth this year



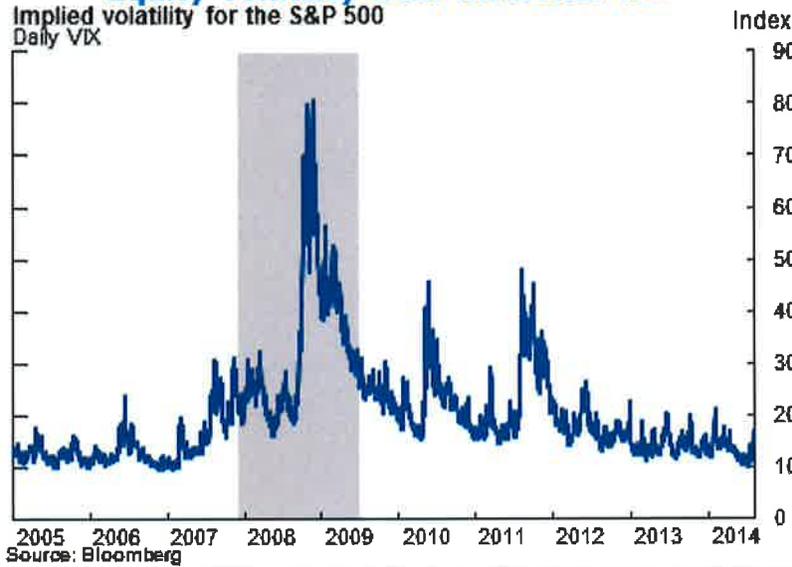
Inflation gradually returning to target



Long-term yields have edged down



Equity volatility near historical low



California

California has now more than recovered the jobs it lost during the recession, and the unemployment rate has fallen to its lowest level since July 2008. U.S. real GDP grew by 4 percent in the second quarter of 2014 after a drop of 2.1 percent in the first quarter, reflecting some delayed activity due to winter weather in the first three months of the year.

Labor Market Conditions

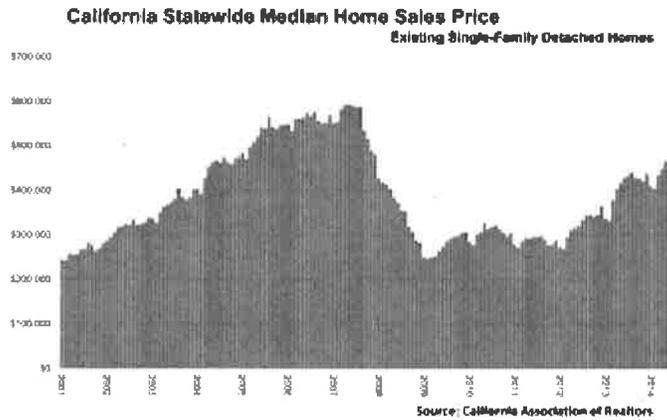
- California's unemployment rate remained steady at 7.4 percent in July. This narrowed the gap with the U.S. to 1.2 percentage points, as the national unemployment rate rose by 0.1 percent to 6.2 percent. However, California's labor force participation rate, at 61.9 percent, is now the lowest it has ever been since records began in 1976. This is in contrast with the U.S. rate, which rose slightly to 62.9 percent in July.
- Nonfarm payroll jobs in California increased by 27,700 in July, following a downwardly revised 16,200 in June. The state has added 323,600 nonfarm jobs since July 2013, an increase of 2.1 percent year over year. Eight California industry sectors gained jobs and three lost jobs. The largest gains were in educational and health services (10,900) and professional and business services (8,200). Leisure and hospitality (6,400), government (6,000), and manufacturing (4,600) also posted strong month-over job gains. Trade, transportation, and utilities (600), other services (500), and mining and logging (100) saw small gains. The largest losses were in construction (6,400). Other sectors with job losses include financial activities (2,400) and information (800).

Building Activity

- Residential building permits in June totaled 76,000 on an annualized basis, down by 8.8 percent from May. This number reflected a drop in multi-family units (down by 23.4 percent) and a rise in single-family units (up by 7.9 percent). Single-family permits were more than half the total, a shift from the recent trend of greater strength in multi-family permits. The total number of residential permits was down by 5.2 percent compared to June 2013. The annualized rate of permits in the first half of 2014 was 84,000, only slightly above the 83,000 for 2013.
- The value of June nonresidential permits was up by 16 percent from May, and up by 54.8 percent from the same time last year. For the first half of the year, the annualized value of nonresidential permits was only 1.3 percent above the \$22 billion total for 2013.

Real Estate

- The median price of an existing single-family detached home was \$457,160 in June, 2 percent lower than in May and 6.6 percent higher than a year ago, the smallest year-over-year price gain in more than two years.
- The number of home sales in June was 394,930, 1.5 percent higher than in May and 4.8 percent lower than in June 2013. The median number of days to sell increased from 31.6 days in May to 33.9 in June 2014.



Marin

The July unemployment rate is 4.4% 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 4.7%. The June median home sale price (latest figure available, DQ News) is \$850,000 vs. \$801,000 a year ago June or 6.12% increase in the median home sale price.

Summary

For Fiscal Year 2014 based on the twelve month results, overall general fund revenues exceeded budget \$1.163M primarily due to basic property taxes \$156K, building permits y \$540K, technology revenues, \$120K, planning revenues \$80K and excess Education Revenue Augmentation Funds (ERAF) from the state \$90K. Expenditures are over \$99K primarily due to extra debt payment to Marin County in the amount of \$202K. A report (attached) provides summary (unaudited) financial information for the twelve month period.

General Fund Revenue highlights for FY14, twelve (12) months

Property tax revenues. Payments from the County come in three installments: 55% in December, 40% in April and 5% in June. Tax payments were up \$297K primarily due to the improved housing market and accompanying increased housing values along with an increase in property transfer taxes and Excess ERAF Funds

Sales and franchise revenues. Sales tax revenues came in just shy of budget less than \$1K variance while Cable TV revenues tracked right at budget and Marin Sanitary Services were up \$2K

Building permits, planning application fees, technology. These revenue sources were higher than budget primarily due to an improved economic housing market climate. Building permits \$540K, planning applications \$36K, planning construction \$35K and technology revenues, \$120K (see graph #10).

Investment earnings. Earnings are above budget by \$3K due primarily to portfolio diversification into CalTRUST. While earnings are positive this revenue source is considerably lower than past years given the current interest rate environment.

General Fund Expenditure highlights for FY14, Q4

Expenditures were \$99K over for the year. Again primarily due to the additional Marin County CalPERS Side Fund loan payoff payment. Department expenditures: General Government above \$34K primarily due to legal and other expenses associated with creation of a recreation operations; Public Safety (fire and police) under \$65K, and Public Works under \$75K

General Government

Attorney and Accountant expenses for outside services are \$19K over budget primarily due to Attorney costs associated with recreation operations. Insurance costs \$8K below budget.

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

Expenditures for public safety \$65K below budget with the Police Department representing \$62K of the \$65K total. Lower expenditures included police overtime \$19K, CalPERS pension costs \$12K Fire expenses \$3K below budget due to lower insurance costs.

Public Works | Building

Expenditures for public works and building \$75K below budget. Lower expenditures included tree removal \$34K, drainage maintenance \$8K, insurance \$8K, tree pruning \$7K. Higher expenditures included: plan check fees \$17K and building inspection \$13K.

Fiscal, resource and timeline impacts

The Q4 financial picture for the twelve months was positive. Revenues were higher than projected and offset slightly higher expenditures associated with the extra Marin County loan payment. Overall departmental expenditures were also lower than projected. Revenues exceeded projections primarily due to increased property taxes and revenues connected to community development activity (e.g., building and planning applications). Investment earnings were slightly above budget for the year. And due to diligent work and attention to cleaning up old construction penalty income accounts, this income stream came in slightly above the budgeted \$100K figure.

Alternative actions

Informational report only

Environmental review (if applicable)

N/A

Attachment

- Fiscal year 2014, Q4 Financial summary report

TOWN OF ROSS



FY 2014, Q4
QUARTERLY FINANCIAL REPORT
APRIL - JUNE 2014



TOWN OF ROSS
FYE 2014
12 Month Financial Report
July 2013 - June, 2014

TABLE OF CONTENTS

	Page #
FINANCIALS	
All Funds - Balance Sheets	2
All Funds - Statements of Revenues and Expenditures	3
General Fund - Statement of Revenues and Expenditures	4-5
Other Funds - Statements of Revenues and Expenditures	6-9
GRAPHS	
Graph #1 - General Fund Revenue vs Budget	10
Graph #2 - Public Safety Tax Fund Revenue vs Budget	10
Graph #3 - General Fund and Public Safety Tax Fund Revenues vs Budget	10
Graph #4 - General Fund Expenditures vs Budget	11
Graph #5 - General and Public Safety Tax Revenues Over (Under) Expenditures vs Budget	11
Graph #6 - General and Public Safety Tax Revenues vs Expenditures	11
Graph #7 - Basic Property Taxes (A/n 5010)	12
Graph #8 - Investment Income from LAIF, RBC, and CalTrust - General Fund	12
Graph #9 - Permits, Licenses, and Planning	12
Graph #10- Permits, Licenses, and Planning	13

Town of Ross
All Funds
Balance Sheets
June 30, 2014

	General	Gas Tax	Roadway	Drainage	Asset Forfeit	COPS	Bldg Permit Excess	General Plan	Equip Replace	Facilitie s	Legal Defense	Emergency	Total
Assets:													
Cash - Wells Fargo	(15,140)	(3,837)	798	76	0	0	47	61	554	972	206	0	(16,263)
Cash - WFB - Permits	906,196	0	0	0	0	0	0	0	0	0	0	0	906,196
Cash - LAIF	(2,718,348)	259,665	1,044,558	487,677	0	0	226,475	86,802	445,081	1,270,000	102,000	1,500,000	2,703,910
Investment RBC	210,937	0	0	0	0	0	0	0	0	0	0	0	210,937
Investment CalTRUST	5,309,336	0	0	0	0	0	0	0	0	0	0	0	5,309,336
Cash - On Hand	250	0	0	0	0	0	0	0	0	0	0	0	250
Cash - Rental Prop Acct.	4,450	0	0	0	0	0	0	0	0	0	0	0	4,450
Accounts Receivable,net	68,058	8,512	47,215	0	0	23,777	0	0	0	5,000	0	0	152,562
Interest Receivable	2,230	148	541	249	0	0	125	45	0	0	0	0	3,338
Due from COPS Fund	9,514	0	0	0	0	0	0	0	0	0	0	0	9,514
Total Assets	3,777,483	264,488	1,093,112	488,002	0	23,777	226,647	86,908	445,635	1,275,972	102,206	1,500,000	9,284,230
Liabilities:													
Accounts Payable	108,579	0	67,714	2,158	0	0	0	167	546	0	0	0	179,164
Permit Deposits Payable	906,196	0	0	0	0	0	0	0	0	0	0	0	906,196
Prepaid Fees	12,969	0	0	0	0	0	0	0	0	0	0	0	12,969
Accrued Payroll & PERS	61,856	0	0	0	0	0	0	0	0	0	0	0	61,856
Rental Property Deposit	4,450	0	0	0	0	0	0	0	0	0	0	0	4,450
Due to General Fund	0	0	0	0	0	9,514	0	0	0	0	0	0	9,514
Total Liabilities	1,094,050	0	67,714	2,158	0	9,514	0	167	546	0	0	0	1,174,149
Fund Balance:													
Fund Balance Beg of Yr	2,290,881	250,156	776,442	313,345	24,170	14,264	226,098	42,802	509,198	549,271	184,806	1,500,000	6,681,433
Net Change Current Yr	392,552	14,332	248,956	172,499	(24,170)	(1)	549	43,939	(64,109)	726,701	(82,600)	0	1,428,648
Total Fund Balance	2,683,433	264,488	1,025,398	485,844	0	14,263	226,647	86,741	445,089	1,275,972	102,206	1,500,000	8,110,081
Total Fund Balance and Liabilities	3,777,483	264,488	1,093,112	488,002	0	23,777	226,647	86,908	445,635	1,275,972	102,206	1,500,000	9,284,230

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

	<u>General</u>	<u>Public Safety Tax</u>	<u>Gas Tax</u>	<u>Roadway</u>	<u>Drainage</u>	<u>Asset Forfeit</u>	<u>COPS</u>	<u>Bldg Permit Excess</u>	<u>General Plan</u>	<u>Equipment Replace- ment</u>	<u>Facilities</u>	<u>Legal Defense</u>	<u>Total</u>
Revenues													
Property Taxes	3,559,991	0	0	0	0	0	0	0	0	0	0	0	3,559,991
Sales and Franchise Tax	189,459	0	0	0	0	0	0	0	0	0	0	0	189,459
Intergov. Revenue	48,359	0	0	0	0	0	0	0	0	0	0	0	48,359
Interest and Rents	236,740	0	646	2,232	1,007	16	0	549	166	891	0	0	242,247
Permits and Licenses	1,085,849	0	0	0	0	0	0	0	0	0	0	0	1,085,849
Planning	216,996	0	0	0	0	0	0	0	0	0	0	0	216,996
Police Revenue	22,890	0	0	0	0	0	0	0	0	0	0	0	22,890
Miscellaneous	59,249	0	0	0	0	0	0	0	0	0	0	0	59,249
Other Fund Revenue	0	710,622	82,925	641,506	400,663	0	100,000	0	43,941	0	116,480	0	2,096,137
	<u>5,419,533</u>	<u>710,622</u>	<u>83,571</u>	<u>643,738</u>	<u>401,670</u>	<u>16</u>	<u>100,000</u>	<u>549</u>	<u>44,107</u>	<u>891</u>	<u>116,480</u>	<u>0</u>	<u>7,521,177</u>
Expenditures													
General Government	904,644	0	0	0	0	0	0	0	0	0	0	0	904,644
Fire	1,619,211	0	0	0	0	0	0	0	0	0	0	0	1,619,211
Police	1,354,339	0	0	0	0	0	0	0	0	0	0	0	1,354,339
Public Works	784,113	0	0	0	0	0	0	0	0	0	0	0	784,113
Debt Service	420,010	0	0	0	0	0	0	0	0	0	0	0	420,010
Capital Expenditures	16,390	0	0	0	0	0	0	0	0	0	0	0	16,390
Other Fund Expenditures	0	0	69,239	394,781	229,172	24,186	100,000	0	167	148,349	111,274	0	1,077,168
Total Expenditures	<u>5,098,707</u>	<u>0</u>	<u>69,239</u>	<u>394,781</u>	<u>229,172</u>	<u>24,186</u>	<u>100,000</u>	<u>0</u>	<u>167</u>	<u>148,349</u>	<u>111,274</u>	<u>0</u>	<u>6,175,875</u>
Revenue Over (Under) Expenditures	<u>320,826</u>	<u>710,622</u>	<u>14,332</u>	<u>248,957</u>	<u>172,498</u>	<u>(24,170)</u>	<u>0</u>	<u>549</u>	<u>43,940</u>	<u>(147,458)</u>	<u>5,206</u>	<u>0</u>	<u>1,345,302</u>
Other Financing Sources													
Ford Credit Auto Lease	0	0	0	0	0	0	0	0	0	43,734	0	0	43,734
City of San Rafael Note	0	0	0	0	0	0	0	0	0	39,614	0	0	39,614
Interfund Transfers	793,222	(710,622)	0	0	0	0	0	0	0	0	0	(82,600)	0
Interfund Transfers	(721,494)	0	0	0	0	0	0	0	0	0	721,494	0	0
Total Other Sources	<u>71,728</u>	<u>(710,622)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>83,348</u>	<u>721,494</u>	<u>(82,600)</u>	<u>83,348</u>
Net change in Fund Balances	<u>392,554</u>	<u>0</u>	<u>14,332</u>	<u>248,957</u>	<u>172,498</u>	<u>(24,170)</u>	<u>0</u>	<u>549</u>	<u>43,940</u>	<u>(64,110)</u>	<u>726,700</u>	<u>(82,600)</u>	<u>1,428,650</u>

Town of Ross
GENERAL FUND
Statement of Revenues and Expenditures
Actual and Budget
For the Twelve Months Ending June 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	233,758	3,559,991	3,263,000	296,991	3,263,000	109.10 %
Sales and Franchise Taxes	18,539	189,459	183,108	6,351	183,108	103.47 %
Intergovernmental Revenue	6,181	48,359	37,500	10,859	37,500	128.96 %
Interest and Rents	19,409	236,740	218,170	18,570	218,170	108.51 %
Permits and Licenses	146,676	1,085,849	352,000	733,849	352,000	308.48 %
Planning	23,605	216,996	136,500	80,496	136,500	158.97 %
Police Revenue	8,194	22,890	28,500	(5,610)	28,500	80.32 %
Miscellaneous	13,596	59,249	37,000	22,249	37,000	160.13 %
Total Revenue	469,958	5,419,533	4,255,778	1,163,755	4,255,778	127.35 %
EXPENDITURES						
General Government						
Wages	36,252	401,718	376,430	25,288	376,430	106.72 %
Employee Benefits	9,051	125,851	132,758	(6,907)	132,758	94.80 %
Outside Services	62,389	271,838	245,616	26,222	245,616	110.68 %
Memberships and Organizations	631	32,478	21,000	11,478	21,000	154.66 %
Repairs and Maintenance	538	9,688	14,500	(4,812)	14,500	66.81 %
Insurance	0	19,792	29,333	(9,541)	29,333	67.47 %
Other	5,032	43,279	51,188	(7,909)	51,188	84.55 %
	113,893	904,644	870,825	33,819	870,825	103.88 %
Fire Department						
Employee Benefits	357	9,283	8,000	1,283	8,000	116.04 %
Ross Valley Fire Services	132,430	1,589,159	1,589,159	0	1,589,159	100.00 %
Insurance	0	9,897	14,167	(4,270)	14,167	69.86 %
Other	906	10,872	11,000	(128)	11,000	98.84 %
	133,693	1,619,211	1,622,326	(3,115)	1,622,326	99.81 %
Police Department						
Wages	62,478	685,530	735,526	(49,996)	735,526	93.20 %
Employee Benefits	39,929	505,884	528,595	(22,711)	528,595	95.70 %
Outside Services	2,195	59,566	48,008	11,558	48,008	124.08 %
Memberships and Organizations	0	700	700	0	700	100.00 %
Maintenance and Repairs	7,028	20,967	16,000	4,967	16,000	131.04 %
Vehicles	1,993	26,896	28,000	(1,104)	28,000	96.06 %
Insurance	0	9,897	15,167	(5,270)	15,167	65.25 %
Other	6,405	44,899	44,532	367	44,532	100.82 %
	120,028	1,354,339	1,416,528	(62,189)	1,416,528	95.61 %
Public Works Department						
Wages	15,825	188,575	190,260	(1,685)	190,260	99.11 %
Employee Benefits	5,921	111,131	116,147	(5,016)	116,147	95.68 %
Outside Services	40,146	272,472	262,000	10,472	262,000	104.00 %
Memberships and Organizations	746	27,118	28,864	(1,746)	28,864	93.95 %
Creek and Park Maintenance	7,668	43,182	52,000	(8,818)	52,000	83.04 %
Street Maintenance	8,997	88,252	91,000	(2,748)	91,000	96.98 %
Tree Maintenance	2,100	13,426	55,000	(41,574)	55,000	24.41 %
Vehicles	626	8,883	18,000	(9,117)	18,000	49.35 %
Insurance	0	19,792	29,333	(9,541)	29,333	67.47 %
Other	2,232	11,282	16,600	(5,318)	16,600	67.96 %
	84,261	784,113	859,204	(75,091)	859,204	91.26 %

Town of Ross
GENERAL FUND
Statement of Revenues and Expenditures
Actual and Budget
For the Twelve Months Ending June 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	19,376	19,376	0	19,376	100.00 %
Principal - Co of Marin	0	386,000	197,000	189,000	197,000	195.94 %
Interest - Co of Marin	0	14,634	6,895	7,739	6,895	212.24 %
	<u>0</u>	<u>420,010</u>	<u>223,271</u>	<u>196,739</u>	<u>223,271</u>	<u>188.12 %</u>
Capital Expenditures						
Bulletproof Vests	0	0	1,400	(1,400)	1,400	0.00 %
Technology Equip - Gen Gov	0	7,580	5,000	2,580	5,000	151.60 %
Technology Equip - Pub Works	0	1,833	0	1,833	0	0.00 %
Tech Equip - Town Mgr	0	0	1,500	(1,500)	1,500	0.00 %
Training&Conf-see donation	0	2,093	0	2,093	0	0.00 %
Records&Disptch-see donation	0	0	0	0	0	0.00 %
Police Equip - see donation	559	3,235	0	3,235	0	0.00 %
Ergonomic Furniture-ABAG Grant	0	1,649	0	1,649	0	0.00 %
	<u>559</u>	<u>16,390</u>	<u>7,900</u>	<u>8,490</u>	<u>7,900</u>	<u>207.47 %</u>
Tota Expenditures	<u>452,434</u>	<u>5,098,707</u>	<u>5,000,054</u>	<u>98,653</u>	<u>5,000,054</u>	<u>101.97 %</u>
Revenue Over (Under) Expenditures before Public Safety Tax Transfer	17,524	320,826	(744,276)	1,065,102	(744,276)	(43.11) %
Transfer from PS Tax Fund	34,808	793,222	783,000	10,222	783,000	101.31 %
	<u>52,332</u>	<u>1,114,048</u>	<u>38,724</u>	<u>1,075,324</u>	<u>38,724</u>	<u>2,876.89 %</u>
Revenue Over(Under) Expenditures	52,332	1,114,048	38,724	1,075,324	38,724	2,876.89 %
Transfer to Facilities Fund	0	(721,494)	0	(721,494)	0	0.00 %
	<u>52,332</u>	<u>392,554</u>	<u>38,724</u>	<u>353,830</u>	<u>\$ 38,724</u>	<u>1,013.72 %</u>
Net Change in Fund Balance	<u>52,332</u>	<u>392,554</u>	<u>38,724</u>	<u>353,830</u>	<u>\$ 38,724</u>	<u>1,013.72 %</u>

Town of Ross
OTHER FUNDS
 Statements of Revenues and Expenditures
 For the Twelve Months Ending June 30, 2014

<u>REVENUE</u>	<u>GAS TAX</u>		<u>ROADWAY</u>		<u>DRAINAGE</u>	
	<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	82,925	76,348	0	0	0	0
5115-45 Road Impact Fees	0	0	351,867	110,000	0	0
5262-45 City of San Rafael - Local STP	0	0	14,892	0	0	0
5122-45 HSIP Grant for SFD/Lag Rd Int	0	0	51,256	388,900	0	0
5506-45 MTC Pavement Mgmnt Report	0	0	8,000	8,000	0	0
5502-45 TAM A-Bolinas Safe Pathways	0	0	164,944	183,155	0	0
5504-45 TAM A-S3.2 Local Roads	0	0	27,484	27,484	0	0
5505-45 TAM B-Element 1	0	0	23,063	23,063	0	0
5503-45 TAM OBAG-Bolinas Pedestr Impr	0	0	0	90,000	0	0
5115-65 Drainage Impact Fee	0	0	0	0	400,574	110,000
5137-65 HBP - 3 Bridges, BPM	0	0	0	0	0	352,500
5140-65 HBP - Winship Bridge	0	0	0	0	89	276,000
Interest Income	646	200	2,232	500	1,007	25
Total Revenue	83,571	76,548	643,738	831,102	401,670	738,525
<u>EXPENDITURES</u>						
9002-51 Road Repair/Improvements	64,874	66,500	0	0	0	0
7200-51 Roadway Striping/Curb Painting	4,365	3,500	0	0	0	0
9045-45 Bolinas Ave Safe Pathways	0	0	167,569	189,000	0	0
9076-45 Bolinas Pedest Improve-OBAG	0	0	1,444	100,000	0	0
9078-45 MTC Pavement Mgmnt Report	0	0	10,000	10,000	0	0
9072-45 High Intensity Reflect Signs	0	0	2,466	2,500	0	0
9040-45 Road Improvements	0	0	100,000	100,000	0	0
9042-45 SFD/Lagunitas Intersection	0	0	113,302	561,000	0	0
9070-45 Shady Lane Pathway Improvement	0	0	0	10,000	0	0
9077-45 Wellington/Garden Overlay	0	0	0	50,000	0	0
9092-65 Bridge Preventative Maint.	0	0	0	0	240	22,700
9066-65 Creek Bank Stabiliz, Town Hall	0	0	0	0	186,269	150,000
9007-65 Drainage Improvements	0	0	0	0	0	15,000
9054-65 HBP - 3 Bridges, BPMP	0	0	0	0	16,653	398,130
9064-65 HBP - Winship Bridge	0	0	0	0	25,035	276,000
9014-65 Lagunitas Bridge Replacemnt	0	0	0	0	975	0
9032-65 Town Hydrology Drainage Review	0	0	0	0	0	15,000
Total Expenditures	69,239	70,000	394,781	1,022,500	229,172	876,830
Excess (Deficiency) of Revenue Over Expenditures	14,332	6,548	248,957	(191,398)	172,498	(138,305)

Town of Ross
OTHER FUNDS
 Statements of Revenues and Expenditures
 For the Twelve Months Ending June 30, 2014

<u>REVENUE</u>	<u>ASSET FORFEIT</u>		<u>COPS</u>		<u>BLDG PERMIT EXCESS</u>	
	<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>
5120-90 COPS - State Grant	0	0	100,000	100,000	0	0
Interest Income	16	25	0	0	549	500
Total Revenue	16	25	100,000	100,000	549	500
<u>EXPENDITURES</u>						
9111-78 Major Crimes Task Force	0	13,954	0	0	0	0
8528-78 Police - Equipment	6,312	0	0	0	0	0
8526-78 Police Car - Lease Payments	11,074	0	0	0	0	0
9100-78 Police Car - SR Loan Payment	6,800	0	0	0	0	0
9000-90 Front Line Police Personnel	0	0	100,000	100,000	0	0
Total Expenditures	24,186	13,954	100,000	100,000	0	0
Excess (Deficiency) of Revenue Over Expenditures	(24,170)	(13,929)	0	0	549	500

Town of Ross
OTHER FUNDS
 Statements of Revenues and Expenditures
 For the Twelve Months Ending June 30, 2014

	GENERAL PLAN		EQUIP REPLACEMENT		FACILITIES	
	YTD <u>Actual</u>	Budget <u>For Year</u>	YTD <u>Actual</u>	Budget <u>For Year</u>	YTD <u>Actual</u>	Budget <u>For Year</u>
REVENUE						
5135-73 General Plan Impact Fees	43,941	30,000	0	0	0	0
5311-66 Construction Penalties	0	0	0	0	101,480	100,000
5123-66 Marin Co Measure A Parks Funds	0	0	0	0	0	14,000
5411-66 RPOA-Contribution-Sound Syst	0	0	0	0	10,000	10,000
5290-66 Beverage Container Recyc Grant	0	0	0	0	5,000	0
Interest Income	166	25	891	500	0	0
Total Revenue	44,107	30,025	891	500	116,480	124,000
EXPENDITURES						
9002-73 General Plan Implementation	167	0	0	0	0	0
8530-85 Police Cars	0	0	83,348	0	0	0
8526-85 Police Car - Lease Payments	0	0	11,328	22,346	0	0
8527-85 PW 3/4 Ton Pickup	0	0	23,305	40,000	0	0
8700-85 RVFD Equipment Replacement	0	0	30,368	55,387	0	0
9063-66 Ball Field Improvements	0	0	0	0	10,615	105,000
9140-66 Council Chambers Upgrade	0	0	0	0	33,240	30,000
9083-66 Lectern	0	0	0	0	0	3,000
9003-66 Park Improvements	0	0	0	0	4,792	10,000
9087-66 PO Parking Lot Overlay	0	0	0	0	60,773	43,500
9093-66 Town Hall Landscaping	0	0	0	0	0	11,000
9088-66 Town Hall Safety Improvements	0	0	0	0	1,854	10,000
9089-66 Town Hall Windows	0	0	0	0	0	20,000
Total Expenditures	167	0	148,349	117,733	111,274	232,500
Excess (Deficiency) of Revenue Over Expenditures	43,940	30,025	(147,458)	(117,233)	5,206	(108,500)
OTHER FINANCING SOURCES						
5905-85 Ford Credit Auto Lease	0	0	43,734	0	0	0
5906-85 City of San Rafael Note	0	0	39,614	0	0	0
Net Change	43,940	30,025	(64,110)	(117,233)	5,206	(108,500)

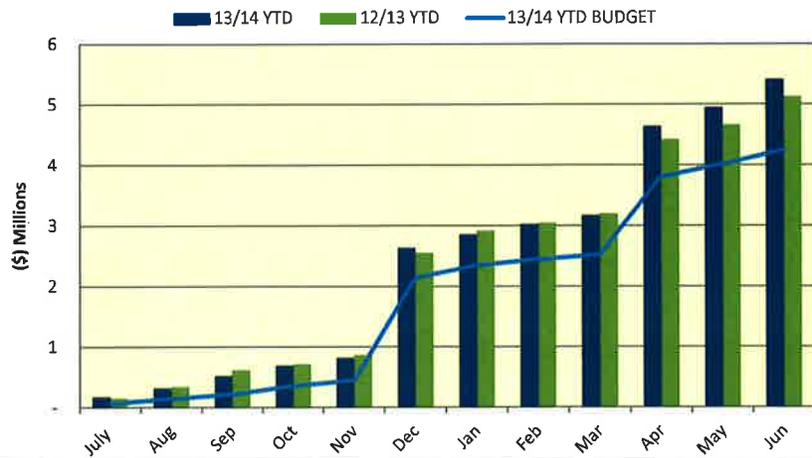
Town of Ross
OTHER FUNDS
 Statements of Revenues and Expenditures
 For the Twelve Months Ending June 30, 2014

<u>REVENUE</u>	PUBLIC SAFETY TAX		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>
5020-40 Public Safety Tax	710,622	700,400	0	0	0	0
Total Revenue	710,622	700,400	0	0	0	0
<u>EXPENDITURES</u>						
Total Expenditures	0	0	0	0	0	0
Excess (Deficiency) of Revenue Over Expenditures	710,622	700,400	0	0	0	0

GENERAL FUND REVENUE vs BUDGET

Graph #1

	13/14 Actual	13/14 Budget	Variance
July	\$ 185,600	\$ 75,781	\$ 109,819
Aug	141,112	81,248	59,864
Sep	202,063	72,830	129,233
Oct	173,985	134,331	39,654
Nov	127,746	92,998	34,748
Dec	1,813,347	1,699,173	114,174
Jan	219,291	203,306	15,985
Feb	170,179	95,581	74,598
Mar	145,298	73,206	72,092
Apr	1,462,350	1,286,704	175,646
May	308,605	208,431	100,174
Jun	469,958	232,190	237,768
Total	\$ 5,419,534	\$ 4,255,779	\$ 1,163,755



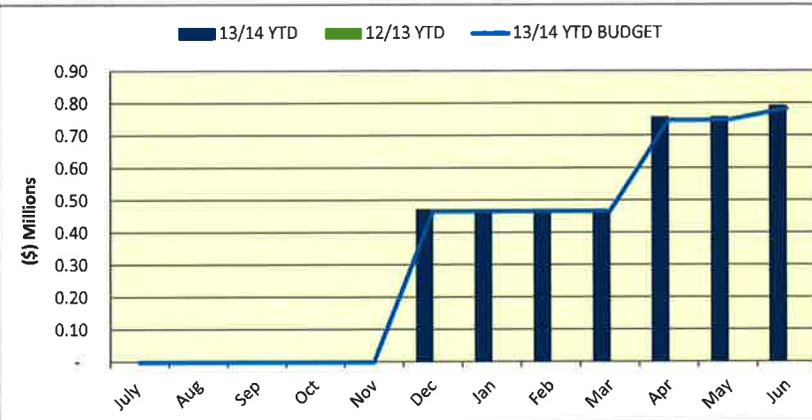
Revenues exceed year to date budget primarily because: basic property taxes +156K, building permits +540K, technology fees +\$120K, planning revenues +80K, and excess ERAF +90K

PUBLIC SAFETY TAX FUND REVENUE vs BUDGET

(including \$82,600 transfer from Legal Defense Fund)

Graph #2

	13/14 Actual	13/14 Budget	Variance
July	\$ -	\$ -	\$ -
Aug	-	-	-
Sep	-	-	-
Oct	-	-	-
Nov	-	-	-
Dec	473,574	467,480	6,094
Jan	-	-	-
Feb	-	-	-
Mar	-	-	-
Apr	284,841	280,415	4,426
May	-	-	-
Jun	34,808	35,105	(297)
Total	\$ 793,223	\$ 783,000	\$ 10,223



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 826 billable parcels but the actual is 839 parcels which created the positive variance.

GENERAL FUND & PUBLIC SAFETY TAX FUND REVENUES COMBINED vs BUDGET

Graph #3

	13/14 Actual	13/14 Budget	Variance
July	\$ 185,600	\$ 75,781	\$ 109,819
Aug	141,112	81,248	59,864
Sep	202,063	72,830	129,233
Oct	173,985	134,331	39,654
Nov	127,746	92,998	34,748
Dec	2,286,921	2,166,653	120,268
Jan	219,291	203,306	15,985
Feb	170,179	85,330	84,849
Mar	145,298	83,456	61,842
Apr	1,747,191	1,567,119	180,072
May	308,605	208,431	100,174
Jun	504,766	267,295	237,471
Total	\$ 6,212,757	\$ 5,038,778	\$ 1,173,979

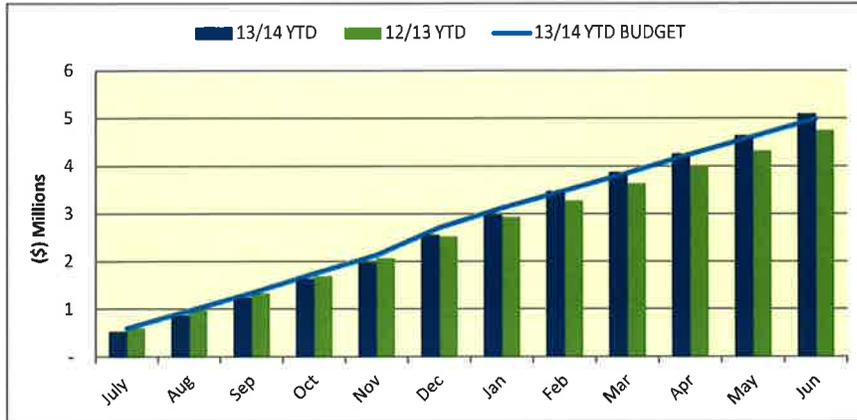


This graph combines revenue from the General and Public Safety Tax Fund including a transfer from the Legal Defense Fund.

GENERAL FUND EXPENDITURES vs BUDGET

Graph #4

	13/14 Actual	13/14 Budget	Variance
July	\$ 536,714	\$ 608,802	\$ (72,088)
Aug	339,961	371,532	(31,571)
Sep	373,009	370,036	2,973
Oct	389,153	404,733	(15,580)
Nov	347,557	390,780	(43,223)
Dec	577,912	577,387	525
Jan	405,946	405,740	206
Feb	508,807	366,772	142,035
Mar	396,495	366,773	29,722
Apr	384,583	393,475	(8,892)
May	386,137	366,773	19,364
Jun	452,434	377,250	75,184
Total	\$ 5,098,708	\$ 5,000,053	\$ 98,655

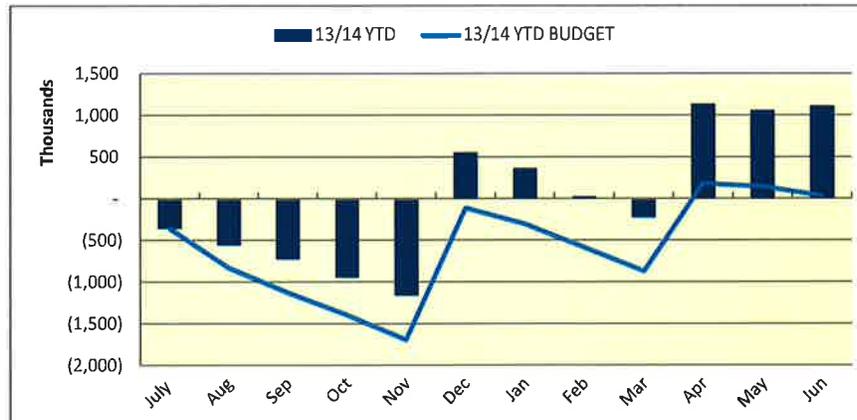


Expenditures are over budget for the year primarily because of an early payment of a debt installment due to the County of Marin in the amount of \$202K.

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

Graph #5

	13/14 Actual	13/14 Budget	Variance
July	\$ (351,114)	\$ (533,021)	\$ 181,907
Aug	(198,849)	(290,284)	91,435
Sep	(170,946)	(297,206)	126,260
Oct	(215,168)	(270,402)	55,234
Nov	(219,811)	(297,782)	77,971
Dec	1,709,009	1,589,266	119,743
Jan	(186,655)	(202,434)	15,779
Feb	(338,628)	(281,442)	(57,186)
Mar	(251,197)	(283,317)	32,120
Apr	1,362,608	1,173,644	188,964
May	(77,532)	(158,342)	80,810
Jun	52,332	(109,955)	162,287
Total	\$ 1,114,049	\$ 38,725	\$ 1,075,324

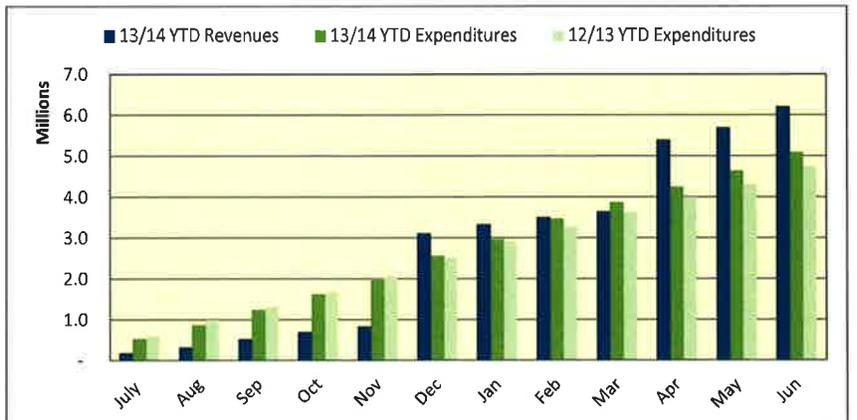


General Fund and Public Safety Tax revenues are \$1.174M higher than budgeted and expenditures are \$99K more than budgeted resulting in a \$1.075M positive variance.

GENERAL and PUBLIC SAFETY TAX REVENUES vs EXPENDITURES

Graph #6

	13/14 Actual Revenues	13/14 Actual Expenditures	Net
July	\$ 185,600	\$ 536,714	\$ (351,114)
Aug	141,112	339,961	(198,849)
Sep	202,063	373,009	(170,946)
Oct	173,985	389,153	(215,168)
Nov	127,746	347,557	(219,811)
Dec	2,286,921	577,912	1,709,009
Jan	219,291	405,946	(186,655)
Feb	170,179	508,807	(338,628)
Mar	145,298	396,495	(251,197)
Apr	1,747,191	384,583	1,362,608
May	308,605	386,137	(77,532)
Jun	504,766	452,434	52,332
Total	\$ 6,212,757	\$ 5,098,708	\$ 1,114,049



General and Public Safety Tax revenues exceeded expenditures by \$1.114M

BASIC PROPERTY TAXES (A/n 5010)

Graph #7

	13/14 Actual	12/13 Actual	Difference b/tween Yrs
July	\$ -	\$ -	\$ -
Aug	-	495	(495)
Sep	449	133	316
Oct	58,967	-	58,967
Nov	8,011	57,381	(49,370)
Dec	1,527,945	1,453,000	74,945
Jan	23,102	16,902	6,200
Feb	13,962	161	13,801
Mar	5,388	5,557	(169)
Apr	1,106,941	1,063,775	43,166
May	20,019	9,000	11,019
Jun	141,272	117,164	24,108
Total	\$ 2,906,056	\$ 2,723,568	\$ 182,488

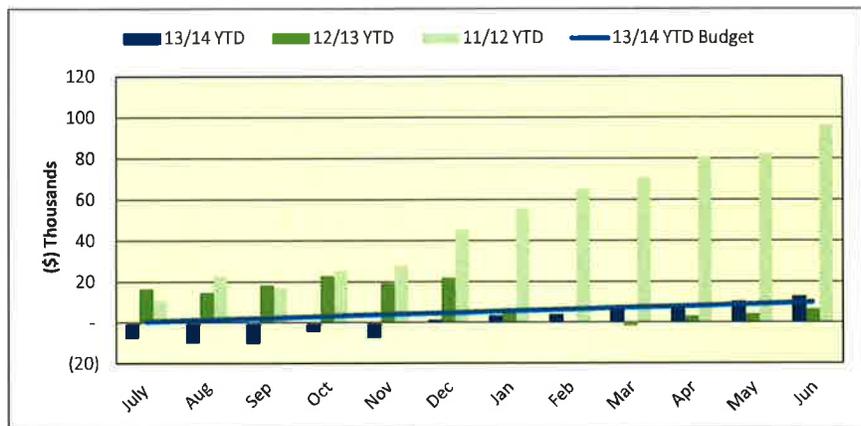


Basic property taxes represent 55% of budgeted General Fund revenues including Public Safety Tax. Property owners pay in two installments, December 10th and April 10th. The County remits receipts as follows: 55% in December, 40% in April, and 5% in June.

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

Graph #8

	13/14 Actual	12/13 Actual	Difference b/tween Yrs
July	\$ (7,773)	\$ 16,795	\$ (24,568)
Aug	(2,221)	(1,969)	(252)
Sep	(154)	3,676	(3,830)
Oct	5,661	4,493	1,168
Nov	(2,974)	(3,708)	734
Dec	8,854	2,772	6,082
Jan	1,896	(16,724)	18,620
Feb	709	(4,907)	5,616
Mar	3,006	(1,932)	4,938
Apr	1,371	4,651	(3,280)
May	2,061	1,157	904
Jun	2,441	2,316	125
Total	\$ 12,877	\$ 6,620	\$ 6,257

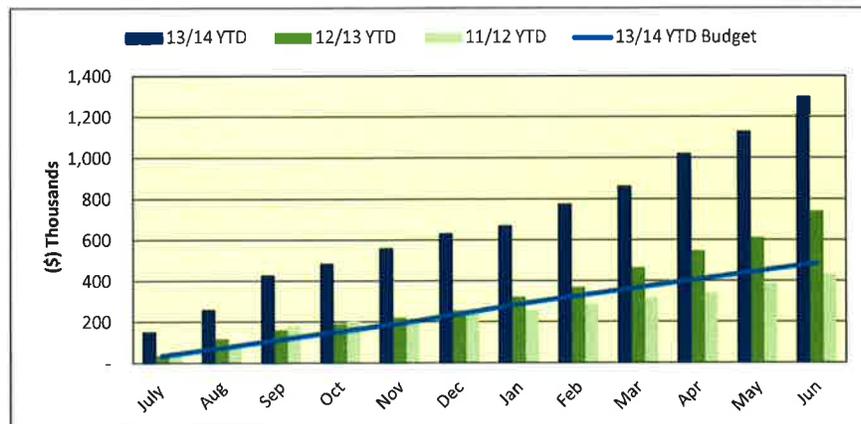


LAIF balance at 6/30/14 was \$2.7M earning .22%, RBC was \$211K earning 1.2%-2.5%, CalTrust was \$5.3M earning .01% - .39%. In the current quarter \$150K was transferred from RBC into Wells Fargo and \$1.3M from Wells Fargo to CalTrust.

PERMITS, LICENSES, AND PLANNING

Graph #9

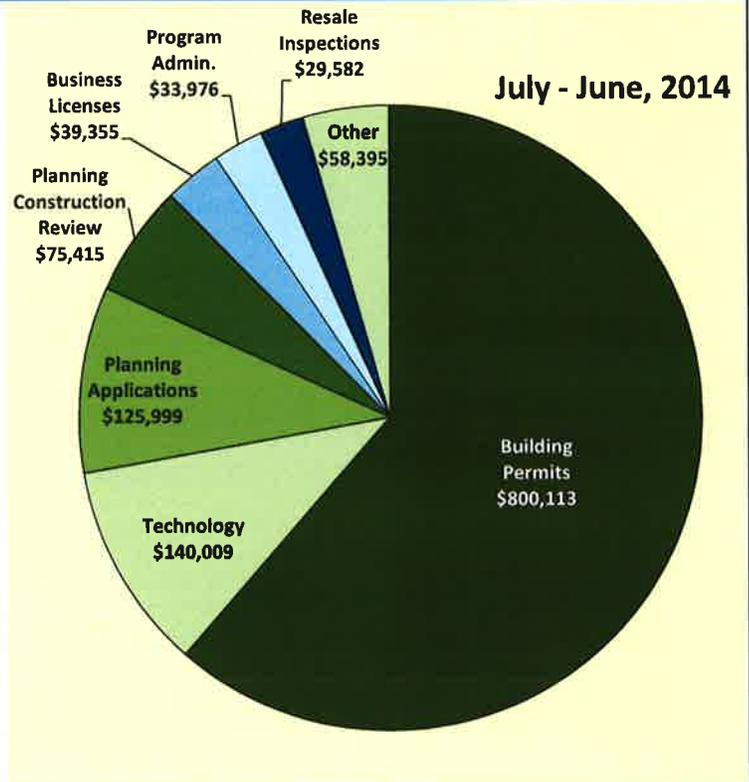
	13/14 Actual	12/13 Actual	Difference b/tween Yrs
July	\$ 153,896	\$ 38,397	\$ 115,499
Aug	108,373	81,294	27,079
Sep	167,380	42,768	124,612
Oct	57,451	30,876	26,575
Nov	73,790	30,211	43,579
Dec	72,268	34,033	38,235
Jan	39,117	65,163	(26,046)
Feb	104,829	49,077	55,752
Mar	87,532	94,178	(6,646)
Apr	157,317	81,448	75,869
May	110,610	64,237	46,373
Jun	170,281	128,964	41,317
Total	\$ 1,302,844	\$ 740,646	\$ 562,198



An increase in building activity and seven large projects with valuations over \$1M have generated positive variances. Construction penalties are not included in the above as they are now recorded in the Facilities Fund.

	13/14		
	July - June	Annual Budget	Variance
Building Permits	\$ 800,113	\$ 260,000	\$ 540,113
Technology	140,009	20,000	120,009
Planning Applications	125,999	90,000	35,999
Planning Const Review	75,415	40,000	35,415
Business Licenses	39,355	31,000	8,355
Program Administration	33,976	10,000	23,976
Resale Inspections	29,582	20,000	9,582
Other	58,395	17,500	40,895
	<u>\$ 1,302,844</u>	<u>\$ 488,500</u>	<u>\$ 814,344</u>

	13/14	12/13	Difference
	July - June	July - June	
Building Permits	\$ 800,113	\$ 422,221	\$ 377,892
Technology	140,009	36,525	103,484
Planning Applications	125,999	162,076	(36,077)
Planning Const Review	75,415	38,567	36,848
Business Licenses	39,355	29,299	10,056
Program Administration	33,976	7,355	26,621
Resale Inspections	29,582	24,825	4,757
Other	58,395	19,778	38,617
	<u>\$ 1,302,844</u>	<u>\$ 740,646</u>	<u>\$ 562,198</u>



Building Permits are up \$378K and Planning Application Fees are down \$36K compared to last year. Technology is up \$120K over FY14 budget. Seven permits with valuations over \$1M contributed to the revenue increase in the current year.