

TOWN OF SAN ANSELMO
STAFF REPORT
July 14, 2014

For the meeting of July 22, 2014

TO: Mayor and Members of the Town Council

FROM: Daria Carrillo, Finance & Administrative Services Director

SUBJECT: 2014-2015 Budget and Workplan

RECOMMENDATION

That Council approve the attached resolution adopting the 2014-2015 Budget and Workplan.

BACKGROUND

At its meeting of July 8, 2014, Council reviewed and conducted a public hearing on the 2014-2015 Proposed Budget presented by staff.

DISCUSSION

- The Town Council directed staff to proceed to adoption of the Budget and Workplan.
- On page 34, the Town Attorney's hourly rate was reported as \$210. The correct rate is \$215.

215-2016 PROJECTIONS

Also attached for Council's information is a broad overview of the budget information available for next fiscal year, 2015-2016. Only the general fund is included in this projection. In preparing this projection, the following assumptions were used:

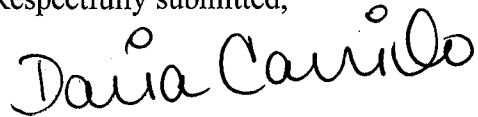
- Based on the average increase over the past three years, secured property taxes are increased 2.7%, franchise taxes are increased 2.6%, and sales and property transfer taxes are increased 2.7%. All other revenues are unchanged.
- Salaries and benefits are increased by .5% for step increases. Only two employees will be eligible for step increases as all other employees are currently at the maximum step on the salary schedule.
- No salary increases other than step increases are included.
- Health and welfare is increased 9.3% based on increases over the past 3 years.
- PERS retirement payments are increased by \$135,000, 48%, due to an upcoming change in the PERS rate methodology. This is an estimate provided by PERS and includes both safety and miscellaneous employees. Although PERS did not provide a breakdown between the different types of employees, the Town had previously been informed that the closing of the safety PERS account due to the police consolidation would result in payments beginning in 2015-2016 of approximately \$100,000 per year. The amount attributable to the police

consolidation will be paid by the Central Marin Police Authority, which will recoup the cost through the members of the JPA, including San Anselmo.

- The contribution to the fire department is increased by 4.5% based on the increase in the current year.
- Utilities and other contract services are increased by 3%.
- Supplies are increased by 2%.
- Debt Service payments are increased in accordance with the debt service schedule.
- The transfer to the insurance fund is decreased due to the fact that the Town no longer has safety employees and as a result, workers comp payments are expected to decrease.

Based upon these estimates, the Town will be able to achieve a balanced budget next year, but there are no new items and no salary increases included. As new information becomes available, staff will inform the Town Council.

Respectfully submitted,



Daria Carrillo
Finance & Administrative Services Director

Attachment #1: Resolution # _____, A Resolution of the San Anselmo Town Council Adopting the 2014-2014 Budget and Workplan.

Attachment #2: 2015-2016 Budget Projection.

TOWN OF SAN ANSELMO

RESOLUTION NO. _____

A RESOLUTION OF THE SAN ANSELMO TOWN COUNCIL ADOPTING THE 2014-2015 BUDGET AND WORKPLAN

WHEREAS, the San Anselmo Town Council held a public hearing on the Proposed 2014-2015 Budget and Workplan on July 8, 2014; and

WHEREAS, the Council has determined that the 2014-2015 Proposed Budget and Workplan will allow for the continuation of basic municipal services and the necessary construction of capital improvements;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the San Anselmo Town Council adopts the 2014-2015 Budgeted Expenditures and Transfers Out as allocated below:

Capital Reconstruction Fund	\$ 312,575
Community Facilities Master Plan Fund	104,869
Downtown Revitalization Fund	14,372
Equipment Fund	232,895
General Fund	13,312,211
Grant Fund	3,337,495
Insurance Fund	304,155
Isabel Cook Complex	63,967
Library Tax Fund	220,000
Measure A Parks Tax Fund	122,288
Measure D Sales Tax Fund	600,000
Measure G Debt Service – 2003, 2011	787,810
Municipal Lease Fund	158,517
Recreation Fund	1,163,485
Road Maintenance Fund	621,744
Robson House Fund	31,787
Special Events	26,256
State Gasoline Tax	325,120

I hereby certify that the foregoing resolution was passed and adopted by the San Anselmo Town Council at a regular meeting thereof, held on the 22nd day of July, 2014 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tom McInerney, Mayor

ATTEST:

Barbara Chambers, Town Clerk

Town of San Anselmo
General Fund
2015-2016 Budget Projection

REVENUE	2014-2015 Proposed Budget	Description of Adjustment	Adjustment	2015-2016 Budget Projection
Property Tax	10,024,772	increase secured property tax 2.7%	147,663	10,172,435
Franchise Taxes	643,123	increase 2.6%	16,721	659,844
Other Taxes (sales and property transfer tax)	955,000	increase 2.7%	25,785	980,785
Licenses, Permits, Fees, Fines	1,184,798	No change.	-	1,184,798
Use of Money and Property	4,500	No change.	-	4,500
Other Agency Revenue	94,927	No change.	-	94,927
Fees for Services, Misc	102,730	No change.	-	102,730
Transfers In	325,120	No change.	-	325,120
Total Revenues and Transfers In	13,334,970	Total revenue adjustment	190,169	13,525,139
EXPENDITURES				
Salaries	1,976,947	Step increases .5%	9,885	
		Total salaries adjustments	9,885	1,986,832
Retirement	276,210	Add 135,000 for change in PERS rate methodology.	135,000	
		Total retirement adjustments	135,000	411,210
Other Benefits	664,197	Increase payroll taxes for step increases	756	
		Increase health and welfare 9.3%	31,843	
		Total other benefits adjustment	32,599	696,796
Contracts and Services	8,607,488	Increase fire department 4.5%.	145,646	
		No change to police department.		
		Increase utilities and other contract services 3%	45,066	
		Total contracts adjustment	190,712	8,798,200
Supplies	226,645	Increase supplies 2%	4,533	
		Total supplies adjustment	4,533	231,178
Debt Service	467,207	Increase per debt service schedule	16,073	
		Total debt service adjustment	16,073	483,280
Transfers Out	1,093,517	Reduce transfer to insurance fund	(175,000)	
		Total transfer out adjustment	(175,000)	918,517
Total Expenditures and Transfers Out	13,312,211		388,802	13,526,013
Operating Surplus (Deficit)	22,759			(873)
Beginning Balance estimated	1,737,707			1,760,466
Estimated Ending Balance	1,760,466			1,759,593

TOWN OF SAN ANSELMO
STAFF REPORT
July 10, 2014

For the Meeting of July 22, 2014

TO: Mayor and Members of the Town Council

FROM: Daria Carrillo, Finance & Admin Services Director

SUBJECT: Resolution Establishing the 2014-2015 Appropriations Limit

RECOMMENDATION

That Council approve the attached resolution establishing the appropriations limit for Fiscal Year 2014-2015.

DISCUSSION AND ANALYSIS

Under Proposition 4 of the State of California, municipalities are limited in the amount of revenue that they may spend each fiscal year. The limit is calculated using a formula that includes change in population and inflation, as defined by the State.

Also known as the Gann Limit, the limit is set each year by resolution of the Town Council. Attached is a worksheet prepared by staff and approved by the Town's independent auditors, showing the Gann Limit calculation for fiscal year 2014-2015. The calculation shows that the amount of revenue that the Town estimates it will collect is \$116,682 below the limit it is allowed to spend.

Respectfully submitted,



Daria Carrillo
Finance and Admin Services Director

Attachment #1: Resolution # _____, A Resolution of the Town Council of the Town of San Anselmo Establishing the Appropriations Limit for Fiscal Year 2014-2015

Exhibit A: Appropriations Limit Data, 2014-2015 Summary

TOWN OF SAN ANSELMO

RESOLUTION NO. _____

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SAN ANSELMO
ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2014-2015**

PURSUANT TO Government code Section 7910, and based on documentation submitted by the Town Administrator, and acknowledging that the documentation has been available to the public for the required period of time;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Town Council of the Town of San Anselmo establishes the appropriations limit for the Town of San Anselmo for fiscal year 2014-2015 under Article XIII-B of the State constitution, as shown on Exhibit "A", in the amount of \$8,983,351 and

I hereby certify that the foregoing resolution was duly passed and adopted at a regular meeting of the San Anselmo Town council held on the 22nd day of July 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tom McInerney, Mayor

Attest:

Barbara Chambers, Town Clerk

Attachment: **Exhibit A, Appropriations Limit Data, 2014-2015 Summary**

ATTACHMENT #1

**APPROPRIATIONS LIMIT DATA
2014-2015 SUMMARY**

2013-2014 APPROPRIATIONS LIMIT		8,966,404
CALCULATION OF 2014-2015 APPROPRIATIONS LIMIT		
1. Annual Change Factors:		
Per Capita Personal Income <i>or</i>	-0.230%	←
Non-residential Assessed Valuation <i>plus</i>	0.000%	
San Anselmo Population <i>or</i>	0.390%	
Marin County Population (<i>whichever is greater</i>)	0.420%	←
2. Calculation: $(1 - .0023) \times (1 + .0042) =$		
		1.001890
2014-2015 APPROPRIATIONS LIMIT		8,983,351
2014-2015 ESTIMATED TAX PROCEEDS SUBJECT TO APPROPRIATIONS LIMIT		
Current Year Property Taxes	5,628,303	
ERAF	820,000	
Supplemental Property Taxes	132,000	
Municipal Services Tax	441,520	
Sales Tax	850,000	
Measure D Sales Tax	600,000	
Property Tax In Lieu of Sales Tax	283,706	
Property Transfer Tax	105,000	
Business License Tax	249,462	
Library Tax	220,000	
Property Tax In Lieu of Motor Vehicle License Fees	1,053,988	
Homeowners Exemption	35,255	
TOTAL TAX PROCEEDS SUBJECT TO LIMIT		10,419,234
2014-2015 EXPENDITURES EXEMPT FROM LIMIT		
Social Security payments	178,353	
Unemployment Insurance	6,000	
Capital Equipment: Fire Truck	45,536	
Capital Facilities: Town Hall Tower	100,000	
Capital Facilities: Road Projects	400,000	
Measure D Road Projects	600,000	
Debt Service -- MERA//Fire Sta Muni Lease	222,676	
TOTAL EXPENDITURES EXEMPT FROM LIMIT		1,552,565
2014-2015 APPROPRIATIONS SUBJECT TO LIMIT		8,866,669
2014-2015 ESTIMATED LEEWAY		116,682