

# TOWN OF FAIRFAX




## FY24 MIDYEAR BUDGET REPORT

PRESENTED MARCH 6, 2024

BY MICHAEL VIVRETTE, CPA DIRECTOR OF FINANCE

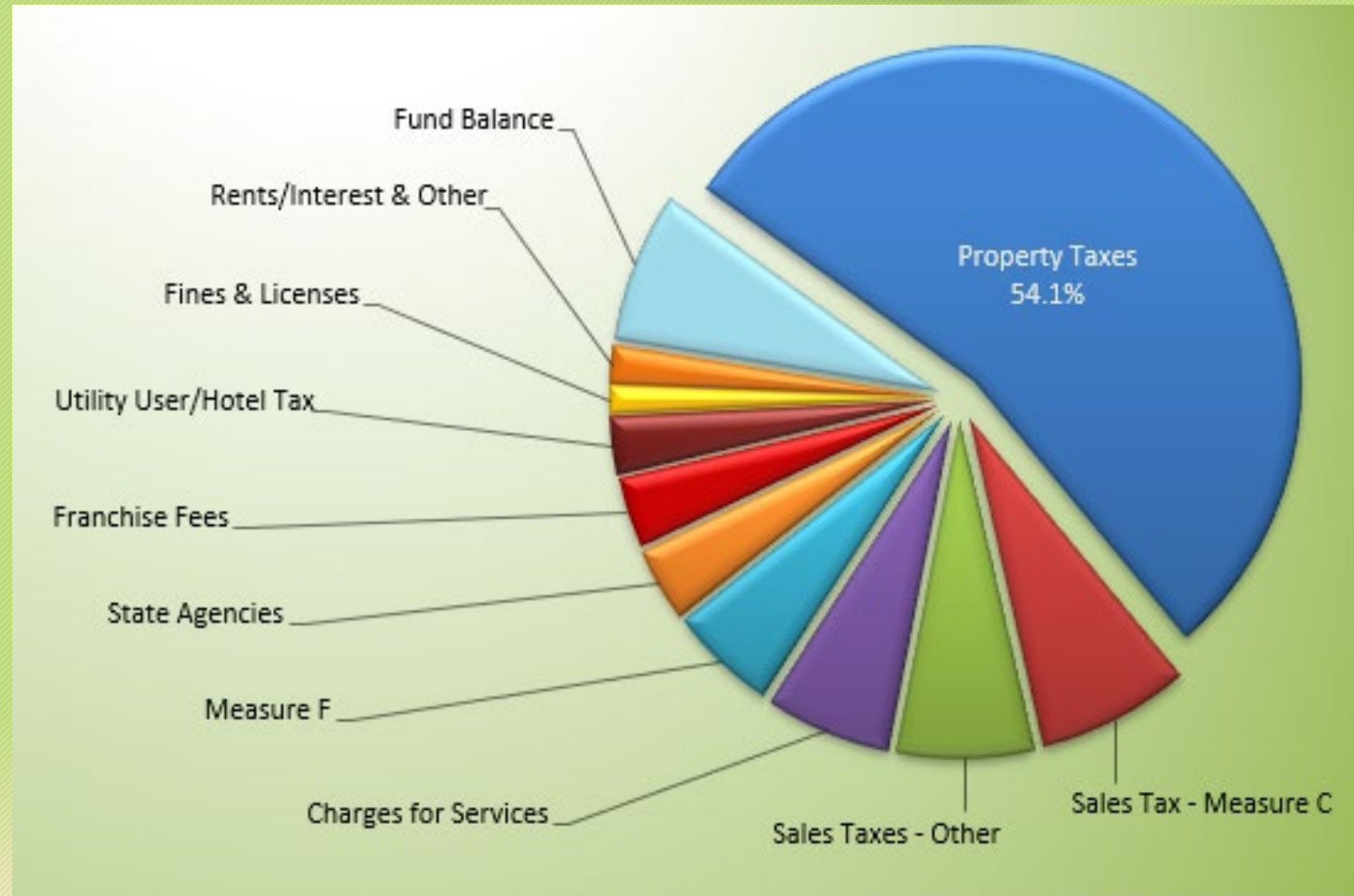
# FAIRFAX FY2023-2024 BUDGET



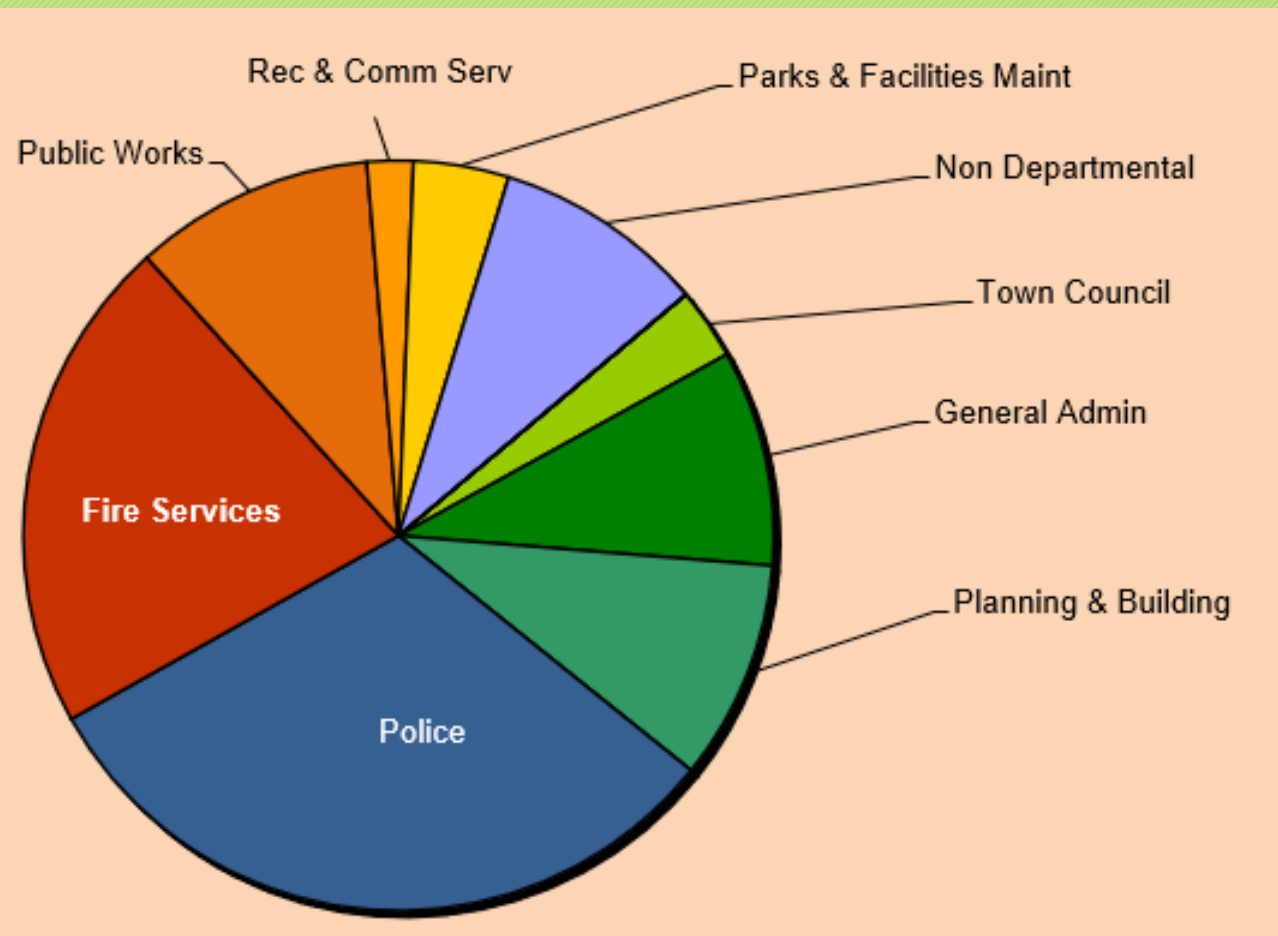
 <b>Town of Fairfax</b> 2023-24 Operating Budget				<b>ALL FUNDS FY24 ADOPTED BUDGET</b>					
<b>FUND SUMMARY</b>				Balance 30-Jun-23	FY 2023-24 Revenues	FY 2023-24 Approp	FY 2023-24 Transfers	ADOPTED 30-Jun-24	FY 23/24 ACTIVITY
3/5/24 9:10 AM									
<b>GENERAL FUNDS</b>								-	
01	General Fund			3,989,194	8,851,767	(13,387,862)	2,364,737	1,817,836	(2,171,358)
02	Dry Period Fund			1,000,000	-	-	-	1,000,000	-
03	Equipment Replacement Fund			245,002	-	(150,000)	100,000	195,002	(50,000)
04	Building & Planning Fund			135,489	625,500	-	(600,000)	160,989	25,500
05	Building Improvement Fund			239,286	-	(210,000)	125,000	154,286	(85,000)
06	Retirement Fund			173,632	2,081,400	(0)	(2,000,000)	255,032	81,400
08	Office Equip Replacement Fund			38,142	-	(38,500)	40,000	39,642	1,500
<b>Total General Funds</b>				<b>5,820,745</b>	<b>11,558,667</b>	<b>(13,786,362)</b>	<b>29,737</b>	<b>3,622,787</b>	<b>(2,197,958)</b>
				45.8%				26.3%	

# FY24 ANTICIPATED REVENUES

<u>SOURCE OF FUNDS</u>		
	<b>ALL GF</b>	
Property Taxes	7,454,310	54.1%
Sales Tax - Measure C	1,044,000	7.6%
Sales Taxes - Other	923,690	6.7%
Charges for Services	857,240	6.2%
Measure F	726,800	5.3%
State Agencies	495,000	3.6%
Franchise Fees	468,477	3.4%
Utility User/Hotel Tax	378,000	2.7%
Fines & Licenses	180,000	1.3%
Rents/Interest & Other	257,950	1.9%
Fund Balance	1,000,895	7.3%
	<b>13,786,362</b>	<b>100.0%</b>



# FY24 APPROPRIATION (EXPENSES)



<u>OPERATIONAL EXPENSES</u>		
Town Council	424,826	3.1%
General Admin	1,283,260	9.3%
Planning & Building	1,308,061	9.5%
Police	4,290,756	31.1%
Fire Services	2,954,275	21.4%
Public Works	1,427,514	10.4%
Rec & Comm Serv	274,255	2.0%
Parks & Facilities Maint	562,720	4.1%
Non Departmental	1,260,695	9.1%
	13,786,362	100.0%

# MIDYEAR BUDGET - SUMMARY



- **GF Revenues** are projected to exceed budget by \$838,000 (6.7%)
- **GF Expenses** are projected to be under budget by \$512,000 (-3.5%)
- The **Adopted FY24 budget** originally projected a General Fund drawdown from reserves of \$2,171,000 because of additional funding for CIP projects . This will likely be reduced to \$822,000 bringing reserves higher from 26.3% up to 37.5%.



# Projected FY24 Income Statement

Town of Fairfax, CA  
at January 31, 2024

	JUL-JAN	FEB	MAR	APR	MAY	JUN	ADI/CLOSE	PROJECTED FY24	CURRENT FY24 Budget	▲ \$	▲ %
<b>Fund: 01 - GENERAL FUND</b>											
<b>Revenue</b>											
010 - TAXES	4,563,360	315,361	200,452	200,452	2,697,989	200,452	100,465	8,278,530	7,718,600	559,930	7.3%
020 - FRANCHISE FEES	213,668	49,400	19,300	99,300	49,200	19,300	48,800	498,989	468,477	30,512	6.5%
030 - LICENSES	36,566	19,100	9,324	46,401	5,600	6,600	-	123,591	100,000	23,591	23.6%
040 - FINES	24,050	6,196	6,196	6,196	6,196	6,196	-	55,030	80,000	(24,970)	-31.2%
050 - INTEREST & RENTS	161,008	1,000	500	51,000	2,500	1,300	60,000	277,308	135,500	141,808	104.7%
060 - REVENUES FROM OTHER AGENCIES	177,363	-	-	-	4,400	-	-	181,763	36,450	145,313	398.7%
070 - GRANTS FROM OTHER AGENCIES	4,000	-	-	-	-	43,932	-	47,932	81,000	(33,068)	-40.8%
080 - CHARGES FOR CURRENT SERVICES	136,683	2,097	2,097	2,097	2,097	2,097	-	147,170	156,320	(9,150)	-5.9%
090 - OTHER FEES	30,814	4,350	3,928	7,560	5,700	-	26,598	78,950	75,420	3,530	4.7%
<b>Revenue Before Transfers Total:</b>	<b>5,347,533</b>	<b>397,504</b>	<b>241,797</b>	<b>413,006</b>	<b>2,773,682</b>	<b>279,877</b>	<b>235,863</b>	<b>9,689,263</b>	<b>8,851,767</b>	<b>837,496</b>	<b>9.5%</b>
100 - TRANSFERS IN	-	-	-	-	-	3,651,800	-	3,651,800	3,651,800	-	0.0%
<b>Revenue Total:</b>	<b>5,347,533</b>	<b>397,504</b>	<b>241,797</b>	<b>413,006</b>	<b>2,773,682</b>	<b>3,931,677</b>	<b>235,863</b>	<b>13,341,063</b>	<b>12,503,567</b>	<b>837,496</b>	<b>6.7%</b>
<b>Expense</b>											
111 - TOWN COUNCIL	21,277	1,592	1,592	1,592	1,592	5,363	796	33,802	29,013	(4,789)	16.5%
112 - TOWN TREASURER	2,210	329	329	329	329	329	164	4,018	4,475	457	-10.2%
116 - INDEPENDENT AUDITOR	38,967	-	-	-	-	-	27,371	66,338	66,338	-	-
121 - TOWN ATTORNEY	195,587	27,941	27,941	27,941	27,941	27,941	-	335,291	325,000	(10,291)	3.2%
211 - TOWN MANAGER	152,335	19,628	19,628	19,628	19,628	29,643	3,375	279,901	274,142	(5,759)	2.1%
221 - TOWN CLERK	212,729	19,698	19,698	19,698	19,698	24,888	11,563	327,970	366,946	38,976	-10.6%
222 - ELECTIONS	811	-	-	-	-	-	-	811	-	(811)	-
231 - PERSONNEL	73,144	9,195	9,195	9,195	9,195	35,195	4,568	176,390	198,907	22,517	-11.3%
241 - FINANCE	229,321	23,034	23,034	23,034	23,034	33,198	20,652	375,309	404,763	29,454	-7.3%
311 - PLANNING	455,557	44,570	44,570	44,570	44,570	71,259	318,861	1,023,958	1,045,728	21,770	-2.1%
321 - BLDG INSP & PERMITS	150,732	16,871	16,871	16,871	16,871	37,703	6,580	278,931	262,335	(16,596)	6.3%
411 - POLICE	2,363,796	255,602	255,602	255,602	319,934	699,172	87,849	4,256,786	4,276,678	19,892	-0.5%
418 - DISASTER PREP	3,637	429	429	429	429	429	8,628	14,408	14,078	(330)	2.3%
421 - ROSS VALLEY FIRE SERVICE	1,721,151	240,597	240,597	240,597	240,597	254,760	-	2,938,298	2,954,275	15,977	-0.5%
510 - PUBLIC WORKS ADMIN	310,396	18,137	18,137	18,137	18,137	24,930	45,200	355,756	368,451	12,695	-3.4%
511 - STREET MAINTENANCE	226,967	27,137	26,162	26,162	25,927	40,432	47,806	434,009	521,958	87,949	-16.8%
512 - STREET LGHT & TRAF SIGNALS	55,743	7,461	7,461	7,461	7,461	13,947	-	99,536	125,000	25,464	-20.4%
514 - CLIMATE & ENVIRON	51,496	10,872	10,872	10,872	10,872	7,360	4,442	106,786	262,105	155,319	-59.3%
611 - PARK MAINTENANCE	193,019	19,383	19,383	19,383	19,383	27,292	(6,802)	291,041	281,055	(9,986)	3.6%
616 - COMMUNITY SERVICES	25,164	2,718	2,718	2,718	2,718	4,654	-	40,690	44,055	3,365	-7.6%
617 - RECREATION	46,100	4,272	4,864	4,864	4,864	8,533	771	74,268	94,330	20,062	-21.3%
621 - FAIRFAX RECREATION	73,309	7,652	8,070	8,070	8,070	8,070	8,080	121,319	122,228	909	-0.7%
622 - SUMMER CAMPS	10,112	293	293	293	293	(7,766)	8,245	11,765	13,642	1,877	-13.8%
625 - RENTAL FACILITIES	39,927	5,885	5,885	5,885	5,884	11,385	1,254	76,105	71,668	(4,437)	6.2%
715 - NON DEPARTMENTAL	522,589	43,475	8,557	8,557	8,557	456,455	122,785	1,170,976	1,260,695	89,719	-7.1%
725 - TRANSFERS OUT	-	-	-	-	-	1,287,063	-	1,287,063	1,287,063	-	-
911 - BUILDING MAINTANANCE	0	0	0	0	0	0	(18,896)	(18,896)	-	18,896	-
<b>Expense Total:</b>	<b>7,176,078</b>	<b>806,771</b>	<b>771,887</b>	<b>771,887</b>	<b>835,985</b>	<b>3,102,235</b>	<b>703,291</b>	<b>14,162,629</b>	<b>14,674,928</b>	<b>512,299</b>	<b>-3.5%</b>
<b>Fund: 01 - GENERAL FUND Surplus (Deficit):</b>	<b>(1,828,545)</b>	<b>(409,266)</b>	<b>(530,090)</b>	<b>(358,881)</b>	<b>1,937,698</b>	<b>829,442</b>	<b>(467,427)</b>	<b>(821,566)</b>	<b>(2,171,361)</b>	<b>1,349,795</b>	

# MIDYEAR BUDGET - REVENUES



Revenues will be higher primarily due to **property and sales tax revenues.**

- Property taxes                   +\$ 351,000 (+ 6.7%)
- Sales Taxes                       +\$ 70,000 (+ 3.5%)
- Interest                           +\$ 139,000

LAIF interest rates have significantly increased due to inflation and hikes in the Fed Funds Rate

These categories comprise 85% of the Town's budgeted revenues.


Source:	Projected Variance:
Property Taxes, ERAF, VLF Swap	\$ + 351,000
Sales Taxes	+ 70,000
Other Taxes	+ 139,000
Rents & Interest	+ 142,000
Revenues from Other Agencies	+ 145,000
Other categories	- 9,500
<b>Projected Additional Revenue</b>	<b>+ 837,500</b>

# MIDYEAR BUDGET - REVENUES



Some revenues are under budget:

- Fines and Licenses (-31.25%)
  - Business License are better than anticipated, but
  - Vehicle code fines and parking ticket are 69% of projected revenue.
- Grants from other Agencies (-40.8%)
  - Was estimated to be \$48,000 - some was collected prior to beginning of the fiscal year and is revenue in prior year... other programs haven't happened
- Charges for Current Services (-5.9%)
  - Primarily down in projected "Miscellaneous Revenue"

		Projected FY24 Income Statement			
		Town of Fairfax, CA at January 31, 2024			
		PROJECTED FY24	CURRENT FY24 Budget	▲ \$	▲ %
<b>Fund: 01 - GENERAL FUND</b>					
<b>Revenue</b>					
010 - TAXES		8,278,530	7,718,600	559,930	7.3%
020 - FRANCHISE FEES		498,989	468,477	30,512	6.5%
030 - LICENSES		123,591	100,000	23,591	23.6%
040 - FINES		55,030	80,000	(24,970)	-31.2%
050 - INTEREST & RENTS		277,308	135,500	141,808	104.7%
060 - REVENUES FROM OTHER AGENCIES		181,763	36,450	145,313	398.7%
070 - GRANTS FROM OTHER AGENCIES		47,932	81,000	(33,068)	-40.8%
080 - CHARGES FOR CURRENT SERVICES		147,170	156,320	(9,150)	-5.9%
090 - OTHER FEES		78,950	75,420	3,530	4.7%
<b>Revenue Before Transfers Total:</b>		<b>9,689,263</b>	<b>8,851,767</b>	<b>837,496</b>	<b>9.5%</b>
100 - TRANSFERS IN		3,651,800	3,651,800	-	0.0%
<b>Revenue Total:</b>		<b>13,341,063</b>	<b>12,503,567</b>	<b>837,496</b>	<b>6.7%</b>



# MIDYEAR BUDGET - REVENUES



Revenues in some other General Funds are expected to bring in higher revenues including:

Fund 04 Building & Planning fees Estimated to exceed budget + \$880,000 (+14.1%)

				CURRENT FY24 Budget	PROJECTED FY24	▲ \$	▲ %
<b>Fund: 04 - BUILDING &amp; PLANNING</b>							
<b>Revenue</b>							
<b>Department: 030 - LICENSES</b>							
04-030-311	BUILDING PERMITS			170,000	214,074	44,074	125.9%
04-030-312	GENERAL PLAN MAINTENANCE FEE			6,000	8,323	2,323	138.7%
04-030-313	TECHNOLOGY IMPROVEMENT FEE			8,500	9,588	1,088	112.8%
04-030-314	ENCROACHMENT/EXCAVATION			-	700	700	
04-030-315	HOUSING INSPECTION			46,000	23,616	(22,384)	51.3%
04-030-316	STATE GREEN FEE			750	819	69	109.2%
04-030-317	STATE SEISMIC FEES			1,450	1,785	335	123.1%
04-030-318	PLAN RETENTION FEES			300	140	(160)	46.7%
04-030-319	STREET OPENING FEES			72,000	97,318	25,318	135.2%
04-030-320	ROAD IMPACT FEES			177,000	190,369	13,369	107.6%
04-030-321	PLANNING INFRASTRUCT IMPROV			8,500	10,673	2,173	125.6%
<b>Department: 030 - LICENSES Total:</b>				<b>490,500</b>	<b>557,405</b>	<b>66,905</b>	<b>113.6%</b>
<b>Department: 080 - CHARGES FOR CURRENT SERVICES</b>							
04-080-801	ZONING AND FILING FEES			55,000	96,497	41,497	175.4%
04-080-805	BUILDING PLAN CHECK			50,000	51,595	1,595	103.2%
04-080-806	ENGINEERING PLAN CHECK			30,000	6,000	(24,000)	20.0%
04-080-814	MISCELLANEOUS			-	2,125	2,125	
<b>Department: 080 - CHARGES FOR CURRENT SERVICES Total:</b>				<b>135,000</b>	<b>156,217</b>	<b>21,217</b>	<b>115.7%</b>
<b>Revenue Total:</b>				<b>625,500</b>	<b>713,622</b>	<b>88,122</b>	<b>114.1%</b>

# MIDYEAR BUDGET - EXPENDITURES



- General Funds expenses are projected to be under budget by \$512,300 (-3.5%)
- Most departments are projected to be under budget as of June 30<sup>th</sup>

	PROJECTED FY24	CURRENT FY24 Budget	▲\$	▲%
<b>Fund: 01 - GENERAL FUND</b>				
<b>Expense</b>				
111 - TOWN COUNCIL	33,802	29,013	(4,789)	16.5%
112 - TOWN TREASURER	4,018	4,475	457	-10.2%
116 - INDEPENDENT AUDITOR	66,338	66,338	-	
121 - TOWN ATTORNEY	335,291	325,000	(10,291)	3.2%
211 - TOWN MANAGER	279,901	274,142	(5,759)	2.1%
221 - TOWN CLERK	327,970	366,946	38,976	-10.6%
222 - ELECTIONS	811	-	(811)	
231 - PERSONNEL	176,390	198,907	22,517	-11.3%
241 - FINANCE	375,309	404,763	29,454	-7.3%
311 - PLANNING	1,023,958	1,045,728	21,770	-2.1%
321 - BLDG INSP & PERMITS	278,931	262,335	(16,596)	6.3%
411 - POLICE	4,256,786	4,276,678	19,892	-0.5%
418 - DISASTER PREP	14,408	14,078	(330)	2.3%
421 - ROSS VALLEY FIRE SERVICE	2,938,298	2,954,275	15,977	-0.5%
510 - PUBLIC WORKS ADMIN	355,756	368,451	12,695	-3.4%
511 - STREET MAINTENANCE	434,009	521,958	87,949	-16.8%
512 - STREET LGHT & TRAF SIGNALS	99,536	125,000	25,464	-20.4%
514 - CLIMATE & ENVIRON	106,786	262,105	155,319	-59.3%
611 - PARK MAINTENANCE	291,041	281,055	(9,986)	3.6%
616 - COMMUNITY SERVICES	40,690	44,055	3,365	-7.6%
617 - RECREATION	74,268	94,330	20,062	-21.3%
621 - FAIRFAX RECREATION	121,319	122,228	909	-0.7%
622 - SUMMER CAMPS	11,765	13,642	1,877	-13.8%
625 - RENTAL FACILITIES	76,105	71,668	(4,437)	6.2%
715 - NON DEPARTMENTAL	1,170,976	1,260,695	89,719	-7.1%
725 - TRANSFERS OUT	1,287,063	1,287,063	-	
911 - BUILDING MAINTANANCE	(18,896)	-	18,896	
<b>Expense Total:</b>	<b>14,162,629</b>	<b>14,674,928</b>	<b>512,299</b>	<b>-3.5%</b>

# MIDYEAR BUDGET - EXPENDITURES



## Department Expenses

- Some departments are projected to be over budget at June 30<sup>th</sup>
- Those which are projected to be over budget are:

	PROJECTED FY24	CURRENT FY24 Budget	▲\$	▲%
<b>Fund: 01 - GENERAL FUND</b>				
<b>Expense</b>				
111 - TOWN COUNCIL	33,802	29,013	(4,789)	16.5%
121 - TOWN ATTORNEY	335,291	325,000	(10,291)	3.2%
211 - TOWN MANAGER	279,901	274,142	(5,759)	2.1%
321 - BLDG INSP & PERMITS	278,931	262,335	(16,596)	6.3%
418 - DISASTER PREP	14,408	14,078	(330)	2.3%
611 - PARK MAINTENANCE	291,041	281,055	(9,986)	3.6%
625 - RENTAL FACILITIES	76,105	71,668	(4,437)	6.2%

- Projected overages can be covered by inter-department transfers rather than by additional appropriation.

# MIDYEAR BUDGET - EXPENDITURES



- **Personnel costs** are at budgeted projections (44.8% of total budget). Higher-than-normal turnover and timing of hiring positions may affect projections at June 30.
- **Health insurance costs are slightly higher than budgeted.**
  - We budgeted for an increase of 6% in January
  - Health care actually went up an average of 9.4%
  - Delta Dental rates decreased this year which helps offset other increases.
- **Capital Improvement Project (CIP) Expenses**
  - The Adopted FY23-24 CIP is approximately \$4.2 million for Funds 51, 52 and 53.
  - Projected to be under budget at June 30<sup>th</sup> - No mid-year budget adj are required
  - Through January 2024, the Town has spent approximately \$1.63 million on CIP projects (compared with \$1.17 million for the same period last year)

# MIDYEAR BUDGET- CONCLUSION



## RECOMMENDATIONS:

- Receive report and presentation.
- No additional appropriation is requested. Any department budget adjustments can come from expense savings in other General Fund departments and projected increased revenues at the discretion of the Town Manager at year end.

# MIDYEAR BUDGET - CONCLUSION

