

TOWN OF FAIRFAX

2017 - 2018 Operating and Capital Improvement PROPOSED Budget



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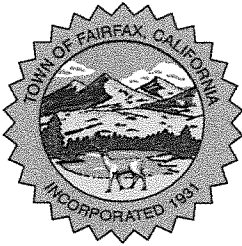
ATTACHMENT 1

**PROPOSED BUDGET
FY 2017-2018
TABLE OF CONTENTS**

<u>OPERATING BUDGET</u>	<u>PAGE</u>
Table of Contents	
Budget Resolution	
Budget Message	i-vi
Five Year Revenue Forecast	vii-xiv
Summary - All Funds	1
Interfund Transfers - All Funds.....	2
Appropriations - All Funds.....	3
General Fund at a Glance (graphic).....	4
General Fund Summary.....	5
General Fund Revenue Detail.....	6-7
General Fund Appropriations Summary	8
General Fund Appropriations Summary by Object	9
 <u>DEPARTMENT/ACTIVITY DETAIL</u>	 <u>FUND-DEPT. #</u>
Town Manager Message	10-12
Town Council.....01-111	13
Town Treasurer	01-112
Independent Auditor.....	01-116
Town Attorney.....	01-121
Town Manager.....	01-211
Town Clerk/Elections Message.....	18-19
Town Clerk.....	01-221
Elections	01-222
Personnel	01-231
Finance Message	23-24
Finance.....	01-241
Planning & Building Services Message	26-27
Planning.....	01-311
Building Inspection & Permits	01-321
Police Message.....	30-31
Police.....	01-411
Disaster Prep & EOC	01-418
Ross Valley Fire Message	35
Ross Valley Fire.....	01-421
Public Works Administration Message	37-38
Public Works Admin.....	01-510
Street Maintenance Message	40
Street Maint & Public Works	01-511
Street Lighting.....	01-512
Storm Damage - FEMA.....	01-513

**PROPOSED BUDGET
FY 2017-2018
TABLE OF CONTENTS**

DEPARTMENT/ACTIVITY DETAIL	FUND-DEPT. #	PAGE
Park Maintenance Message		44
Park Maintenance	01-611	45
Recreation & Community Services Message		46-48
Community Services (Volunteers for Fairfax)	01-616	49
Recreation Events	01-617	50
Recreation Classes/Activities	01-621	51
Summer Camps	01-622	52
Rental Facilities	01-625	53
Non Departmental	01-715	54
Building Maintenance	01-911	55
02 Dry Period	02-715	56
03 Field Equip Replacement	03-923	57
04 Building & Planning	04-715	58
05 Communication Equip Replacement	05-924	59
06 Retirement	06-715	60
07 Special Police	07-715	61
08 Office Equip Replacement	08-928	62
12 Fairfax Festival	12-622	63
20 Measure J - Municipal Services	20-715	64
21 Gas Tax	21-715	65
22 Measure A - Transportation	22-715	66
23 Measure A - Parks	23-715	67
4X Debt Service Measure K	43 to 45-716	68
48 Lease Agreement	48-715	69
51 CIP - Grants Capital Projects	51-XXX	70
52 CIP - Storm Recovery Capital Projects	52-XXX	71
53 CIP - Town Capital Projects	53-XXX	72
73 Open Space	73-673	73
 <u>CAPITAL BUDGET</u>		
Introduction		i-ii
Capital Projects Summary	51 & 53	74-80
Capital Projects Detail	51 & 53	81-97
 <u>APPENDIX</u>		
Town of Fairfax Demographics		98
Town of Fairfax Organizational Chart & Principal Officials		99
Salary Schedule		100
Allocation of Positions		101
HealthCare Rates		102



TOWN OF FAIRFAX

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May 2017

Town of Fairfax Proposed Operating and Capital Budgets for Fiscal Year 2017-18

Dear Mayor and Town Council:

I am pleased to present the proposed Fiscal Year 2017-18 Operating and Capital Improvement Budget. The total Operating and Capital budget is approximately \$13.1M of which approximately \$9.4M is allocated for general fund operations, \$2.7M for capital improvement projects (CIP), and \$1M for other expenses such as the debt service for Measure K bonds and COP refinancing of the Town's retirement side fund. The FY17-18 total operating and capital budget is approximately \$2M higher than last year's adopted budget. A large portion of the increase is for capital projects (approx. \$700,000) to repair the roads damaged by the winter storms.

The operating budget (General Fund) reflects an increase of approximately \$650,000 or 7.4% increase in operating expenses compared to the FY16-17 adopted budget. The increase is primarily due to increases in overall personnel costs and the prepayment (approx. \$180,000) of a portion of the Town's unfunded retirement liability including Fire. Much like pre-paying your mortgage, the Town will save significant interest by pre-paying a portion of its unfunded retirement liability.

The good news is that the increase in operating expenses is almost offset by a corresponding increase in revenue. Revenues are projected to be slightly less than \$520,000 higher than the FY16-17 adopted budget. Approximately 75% of the increase (\$390,000) is in property tax and sales tax revenues. The primary increase in sales tax is from the voter-approved extension and increase of the ½ cent sales tax to ¾ cent (\$200,000).

The capital improvement program (CIP) budget is \$800,000 higher than the FY16-17 CIP budget. The primary reason for the increase is the one-time inclusion of capital projects to address damage caused by the winter storms. The good news is that approximately 93% of the estimated \$700,000 in costs to repair the road damaged by the winter storms are reimbursable from FEMA. The capital improvement budget also includes an ambitious program of street improvements totaling over \$700,000 which would be funded from a variety of sources, including a loan from the County.

We are proposing the Town dip into General Fund Reserves by approximately \$249,000 to fund one-time expenses such as capital projects and the pre-payment of the Town's unfunded retirement liability. At year-end FY17-18, the Town is projected to maintain a robust GF fund balance of approximately 29.4% of the Town's operating budget. The Town's policy is to maintain a minimum reserve of 25% of GF expenditures. The Town began the year with over

\$3,000,000 in GF reserves which equates to a fund balance reserve of 35%. The starting GF fund balance is over \$500,000 higher than FY16-17 year end estimate due to expenditure savings, increased revenues, and adjustments to the fund balance based on the financial audit.

Over the next five years, the Five-Year Budget Forecast continues the practice of dipping into GF reserves for one-time expenses and the pre-payment of a portion of the Town's unfunded retirement liability. The Five Year Forecast shows the Town will continue to maintain a 25% GF reserve each year. From FY18-19 thru FY21-22, the Town is projected to experience modest revenue growth of approximately 2% per year. However, during the same four year period, expenditures are projected to only grow an average of 1.3% per year. The primary reason for the expenditure control is that the forecast reduces the level of the discretionary pre-payment of the Town's unfunded retirement liability each year to ensure the Town maintains the 25% GF reserve requirement.

One key assumption of the Five Year Forecast is the renewal of the Special Municipal Tax (aka Measure J). Measure J expires June 2020. Currently, Measure J represents approximately 6% or \$713,000 of the Town's total source of funds. Without it, the Town would need to consider drastic cuts in services to balance the budget.

The budget message is divided into the following sections:

- Key Budget Highlights Fiscal Year 2017-18
 - Revenues
 - Personnel Costs
 - Increase in Health and Retirement
 - Non-personnel Operating Expenditures
- Five Year General Fund Forecast
- Five Year Capital Improvement Plan (5 Yr. CIP)
- Challenges in FY17-18 and in the Future

Key Budget Highlights Fiscal Year 2017-18

The following are key budget assumptions used to develop the FY17-18 budget:

Stable Sales and Property Tax Revenues and Other Revenues

- *Sales tax* is projected to increase by approximately 17% above the FY16-17 budget. This significant increase is solely because of the voter-approved extension and increase of the Town's ½ cent sales tax to ¾ cent.
- Overall *property tax* revenues are projected to increase by approximately 5.1% or \$191,000 compared to the FY16-17 budget. Over 90% of the property tax increase is from secured properties (e.g., single family home).
- The *other revenue* increases come from increases in retirement fund revenue (approx. \$65,000), Planning and Building (\$35,000), Dispatch (\$21,000), and Recreation

(\$37,000).

Increase in Personnel Costs

Salaries and wages are anticipated to increase by approximately \$100,000.

Some specific items of note are:

- An increase of \$20,000 from \$60,000 to \$80,000 for a contractual project manager to provide Public Works engineering services. This is a better estimate of the cost for such services. The purpose for the position is to more effectively coordinate/manage the design and construction of the numerous capital improvement projects slated for FY17-18.
- The Planning and Building budget includes the creation of a part-time assistant planner position. The current zoning technician will be promoted to the position which better reflects her current level of duties and responsibilities. The zoning tech position will be left vacant. The cost is approximately \$6,000 for this action.
- The Recreation and Community Services (RCS) budget is adjusted to reflect the actual hours per pay period worked by staff to provide services. The cost is approximately \$12,000. However, this is the maximum cost as RCS staff are part-time and are not eligible for holiday or vacation pay (i.e., only paid for hours worked).
- The budget continues to keep one Administrative Assistant position vacant.
- The budget continues to keep one Police Officer position vacant.
- The FY17-18 budget reflects cost of living adjustments of 2% (COLAs) for non-PD staff and managers. The Police Officer's bargaining group will receive a 3% COLA. All COLAs take effect in January 1, 2018.

Health and Retirement Costs

- *Health*- We forecast an annual increase of 9% for medical premiums. However, since medical premiums are adjusted in January, the effective increase is approximately 4.5% for the fiscal year. The Town pays up to the Kaiser Family Rate for medical benefits per employee. All new employees hired after July 1, 2013 pay a share of their medical premiums.
- *Retirement*- The Town Council approved the refinancing of its CalPERS (the state retirement system) "side fund." A "side fund" is the amount a Town owes to CalPERS to fully fund its retirement obligations at a previous point of time¹. This side fund differs

¹ The side fund represents the amount the Town must pay to fund the shortfall in its pension obligations. This was caused by three key factors: 1) When the High Tech and Housing Bubble burst, CalPERS was unable to achieve its projected return on investment (ROI) needed to cover future pension obligations In

from what is referred to as the Town's Unfunded Retirement Liability. The Town's payment to the "side fund" is in addition to its annual contributions to CalPERS.

The refinancing of side fund is estimated to save the Town over \$80,000 in interest this year. We are recommending that the Town apply that "savings" as a pre-payment towards the Town's Unfunded Retirement Liability. Specifically, we are proposing a total of \$100,000 be allocated as pre-payment. Similar to pre-paying a portion of your mortgage, the Town would benefit from significant interest savings over time. We estimate that for every \$100,000 in pre-payment, the Town will reduce future costs by approximately \$200,000 resulting in a net interest savings of \$100,000 over a 20 year period.

In FY16-17, the Town paid approximately \$962,000 to CalPERS for retirement costs including the side fund payments. In FY17-18, the Town's contribution to CalPERS, including the \$100,000 pre-payment, is approximately \$977,000 or an increase of \$15,000.

Non-Personnel Operating Expenditures

- *Non-operating expenses* are projected to increase by approximately \$290,000 or over 7% above the FY16-17 budget. The majority of the increase (approx. 80%) is as follows:
 - Ross Valley Fire Department- approx. \$120,000 (see details below)
 - Election costs- \$34,000. The County indicates due to the low number of agencies/municipalities conducting an election in 2017, the cost will be higher (\$7-\$7.50 per registered voter). The County initially estimated a range of \$4-\$6.00 per registered voter. We budgeted \$14,000 for elections (Measure D) in FY16-17.
 - Town Attorney- \$40,000. This reflects the higher usage of the Town Attorney for land use and general ordinance issues.
 - Street light and traffic signal maintenance- \$24,000. This reflects a better estimate of the actual cost of annual maintenance.
 - All other non-operating expenses only increased by approximately \$70,000 or less than 2%.
- *RVFD*- The Town is a member of a Joint Powers Authority (JPA) consisting of San Anselmo, Ross, and Sleepy Hollow that operates the Ross Valley Fire Department (RVFD). The Town's member contribution to RVFD is thus characterized as a non-operating expense.

Similar to the Town, the JPA is proposing that its members make a pre-payment towards the RVFD's unfunded retirement liability. In FY16-17, the total side fund payment for

essence, the Town is paying for the shortfall in ROI (7.75% v 1-2%) over those years, 2) the recent actuarial studies indicate employees are living longer which, obviously, impacts retirement costs, and 3) previously, CalPERS charged a percentage of payroll to cover retirement costs. However, the Tier I classification for retirement is closed to new members and CalPERS determined that its previous approach was unsustainable since the pool of members in Tier I was getting smaller and smaller due to retirements.

San Anselmo, Fairfax, and Sleepy Hollow was approximately \$604,000 (Note: Ross's side fund payment is separate from the JPA). However, in FY17-18, the payments falls to approximately \$50,000 because a majority of the pension obligation bonds issued for the side fund have been repaid. The members have agreed that a portion of the "savings" should be applied to RVFD's unfunded retirement liability which would reduce long term principal and interest costs. With the pre-payment, the Town's annual contribution would increase by approximately 5.4%. Without the pre-payment, the Town would only experience a 1.4% increase in member contributions, excluding Ross and the \$15,000 each member budgets separately for station repair.

Five Year General Fund Forecast

The Five Year Forecast (Forecast) allows the Town Council an opportunity to plan for the future based on projected revenues and expenditures. Graph A shows the Town will need to dip into General Fund Reserves each year for one-time expenses, except for FY21-22. The Forecast does assume no significant cuts to service levels and the renewal of Measure J.

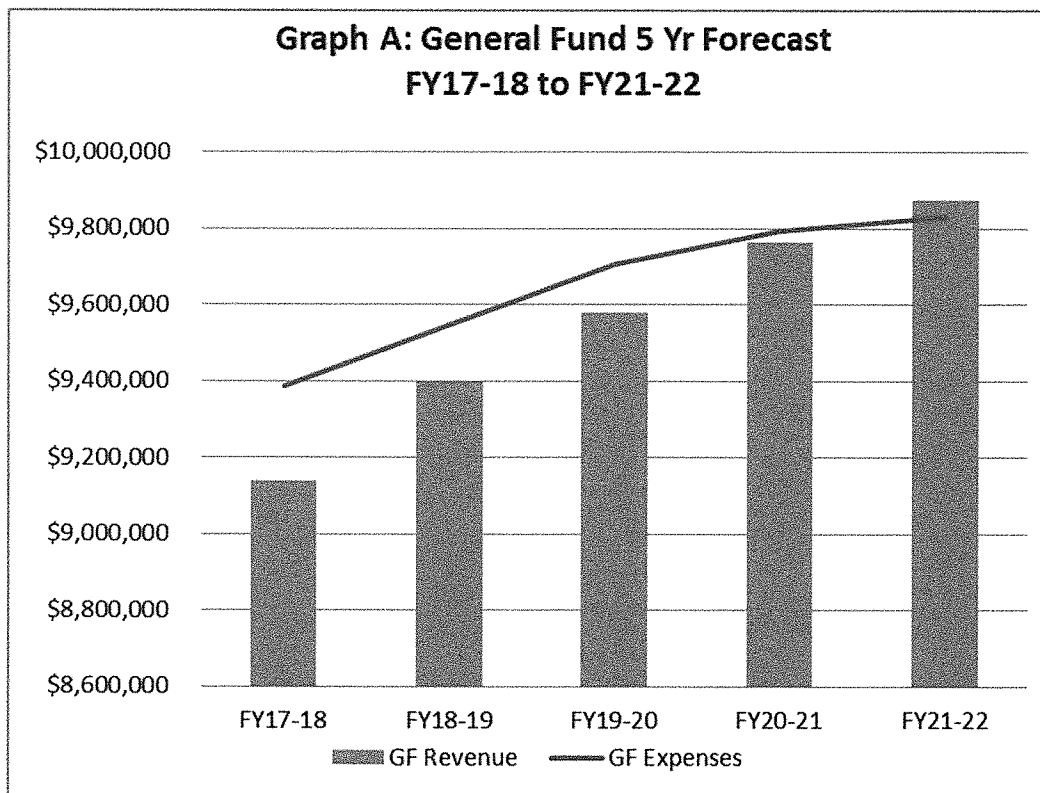


Table A below shows projected revenues and expenses over the Forecast period. In FY17-18, the Town is projected to begin the year with approximately \$3M (35%) in General Fund reserves. The Forecast shows the Town dipping into GF reserves annually to balance the budget for one-time expenses. The guiding parameter is that one-time expenses could not reduce GF reserves below the Town's policy of maintaining a GF reserve balance of 25% of GF expenditures. In FY21-22, the Town will begin to add to GF fund balance as the Town will have paid off its side fund debt obligations. This will result in a "savings" of approximately \$250,000.

TABLE A

Five Year General Fund Forecast

	Est Yr End FY16-17	Budget FY17-18	Projected FY18-19	Projected FY19-20	Projected FY20-21	Projected FY21-22
Total General Funds Appropriation	\$ 8,560,564	\$ 9,385,995	\$ 9,546,690	\$ 9,705,549	\$ 9,794,180	\$ 9,831,659
GF Revenue (taxes, fees)	\$ 6,250,606	\$ 6,527,100	\$ 6,669,646	\$ 6,806,518	\$ 6,944,081	\$ 7,085,904
Other GF Rev*	\$ 1,805,251	\$ 1,869,000	\$ 1,845,725	\$ 1,891,868	\$ 1,939,165	\$ 1,987,644
Transfers In**	\$ 861,154	\$ 740,663	\$ 881,000	\$ 881,000	\$ 881,000	\$ 801,000
Subtotal GF Revenue	\$ 8,917,011	\$ 9,136,763	\$ 9,396,371	\$ 9,579,386	\$ 9,764,246	\$ 9,874,548
Net Surplus(Deficit) to GF reserves	\$ 356,447	\$ (249,232)	\$ (150,319)	\$ (126,163)	\$ (29,934)	\$ 42,889
Ending GF Bal	\$ 3,008,924	\$ 2,759,692	\$ 2,609,373	\$ 2,483,210	\$ 2,453,276	\$ 2,496,166
In % of GF Exp	35.1%	29.4%	27.3%	25.6%	25.0%	25.4%

Note: General Funds appropriation includes equipment funds

* contributions from Planning and Building revenues and retirement fund assumes 2.5% increase/yr

** Special Municipal Tax (Measure J) less contributions to capital projects,

Expense Assumptions

Includes allowance for salary adjustments and/or COLA's

Salaries/benefits assumes some employee savings based on turnover and retirement over the 5 yrs

Health benefits costs increase by 9%/yr

Retirement costs increase by 10%/yr, plus pre-payment of a portion of the unfunded liability for RVFD and Town

Assumes renewal of special municipal tax (Measure J) at same level

All other expenses increase by 2%

Table B shows the breakdown of General Fund Revenues. Over the five-year forecast period, property taxes are projected to grow by a modest 2.5% per year. This conservative estimate reflects the fact that most properties have been reassessed from the recession and that property taxes will most likely grow at the maximum statutory increase of 2% per year. Sales tax is projected based on growth estimates from Muniservices which are very flat at less than an average of 2% per year.

For Forecast purposes, most of the other revenues are kept relatively flat. The two exceptions are that "Charges for other Services" reflect increases in dispatch services provided to the Town of Ross and the Community College of Marin as well as increases in the Town's recreation revenues.

TABLE B

GENERAL FUND REVENUE 5 YEAR FORECAST

Revenue Detail	Adopted Budget FY16-17	Proposed FY17-18	Projected FY18-19	Projected FY19-20	Projected FY20-21	Projected FY21-22
Property Tax	\$ 3,677,000	\$ 3,868,000	\$ 3,964,700	\$ 4,063,818	\$ 4,165,413	\$ 4,269,548
Sales Tax (1%)	\$ 703,000	\$ 695,200	\$ 707,000	\$ 720,000	\$ 734,000	\$ 748,000
Measure D Sales Tax (0.75%)*	\$ 440,000	\$ 649,000	\$ 658,500	\$ 667,500	\$ 676,500	\$ 687,000
Utility	\$ 372,000	\$ 370,000	\$ 371,850	\$ 373,709	\$ 375,578	\$ 377,456
Subtotal Taxes	\$ 5,192,000	\$ 5,582,200	\$ 5,702,050	\$ 5,825,027	\$ 5,951,491	\$ 6,082,004
Other Revenues						
Franchise Fees	\$ 402,000	\$ 388,800	\$ 392,688	\$ 396,615	\$ 400,581	\$ 404,587
Business License	\$ 128,000	\$ 130,000	\$ 130,650	\$ 131,303	\$ 131,960	\$ 132,620
Fines	\$ 116,000	\$ 124,000	\$ 126,480	\$ 129,010	\$ 131,590	\$ 134,222
Rental & Maintenance Fees	\$ 28,000	\$ 25,000	\$ 26,250	\$ 27,563	\$ 28,941	\$ 30,388
Revenues from other Agencies	\$ 55,000	\$ 49,200	\$ 49,446	\$ 49,693	\$ 49,942	\$ 50,191
Recreation/Class Fees	\$ 72,000	\$ 109,100	\$ 111,282	\$ 113,508	\$ 115,778	\$ 118,093
Charges for Svc/Other	\$ 86,000	\$ 118,800	\$ 130,800	\$ 133,800	\$ 133,800	\$ 133,800
Subtotal Other Rev	\$ 887,000	\$ 944,900	\$ 967,596	\$ 981,491	\$ 992,591	\$ 1,003,900
TOTAL GENERAL FUND REVENUE	\$ 6,079,000	\$ 6,527,100	\$ 6,669,646	\$ 6,806,518	\$ 6,944,081	\$ 7,085,904
Assumptions for 5 yr GF Projections (not including FY15-16)						
Total Prop Tax increase by 2.5% per yr						
Sales tax based on consultant data						
Utility taxes remain flat						
Franchise fees increased by 1%/yr; other revenues, and business license increased by 0.5%/yr; cable fees						
Revenues from other agencies slight increase						
Fines and recreation fees increased 2%/yr						
Other Charges for svcs increased per Dispatch contract and increases for recreation activities						
*Measure D was the extensions and increase in 1/2% sales tax to 3/4%						

Table C shows that General Fund revenues are projected to grow by 7.4% in FY17-18 and then increase approximately 2% per year from FY18-19 to FY21-22. GF expenditures will also experience a significant increase of 8.0% in FY17-18 and then average less than 2% per year over the remaining four year period. Even with modest increases in expenditures, the Town will need to dip into reserves to balance the budget during the Forecast period. However, due to the surplus in GF reserves in FY17-18, the Town will be able to continue to meet the Town's policy of maintaining a 25% reserve balance (refer to Table A) during the Forecast period.

TABLE C

GENERAL FUND REVENUE AND EXPENDITURE FORECAST IN %

	Proposed FY17-18	Projected FY18-19	Projected FY19-20	Projected FY20-21	Projected FY21-22
Total GF Revenue*	\$ 6,527,100	\$ 6,669,646	\$ 6,806,518	\$ 6,944,081	\$ 7,085,904
Rev. Incr. from adopted FY16-17	\$ 448,100	\$ 142,546	\$ 136,872	\$ 137,564	\$ 141,823
Increase in %	7.4%	2.2%	2.1%	2.0%	2.0%
Total GF Expenses	\$ 9,385,995	\$ 9,546,690	\$ 9,705,549	\$ 9,794,180	\$ 9,831,659
Exp. Incr. from adopted FY16-17	\$ 646,475	\$ 160,695	\$ 158,859	\$ 88,631	\$ 37,479
Increase in %	8.0%	1.8%	1.7%	0.9%	0.4%
* GF revenue does not include transfers or special revenue					

The Forecast does include projected step increases and COLA adjustments per negotiated agreements with bargaining groups. Health care costs are estimated to increase annually by 9% which reflects the recent increases in Kaiser Health rates. Retirement costs are estimated to increase by 10% annually. We believe this inflator should be adequate to absorb the annual increases in retirement costs as CalPERS begins to phase-in its reduced interest assumptions from 7.5% to 7.0%. Non-personnel expenses are increased by 2% per year.

Personnel costs (salaries and benefits) represent approximately 2/3 of the Town's budget when you include the cost of Fire personnel. Needless to say, increases in health and retirement costs continue to represent the most significant impact to future budgets. Unfortunately, we have little control over these two factors.

As an offset against projected increases in expenditures, the Forecast does assume savings from some staff turnover/retirements, reductions in on-going operating costs associated with one-time expenditures (e.g., financial software), and reductions in the amount of the pre-payment toward unfunded retirement liability. In addition, the Forecast, beginning in FY18-19, limits contributions to capital projects from GF sources such as Measure J. Capital projects are primarily funded with state/federal grants, the new state transportation funds (e.g., increase in gas tax), loan financing, and restricted funding such as Measure A transportation funding from TAM.

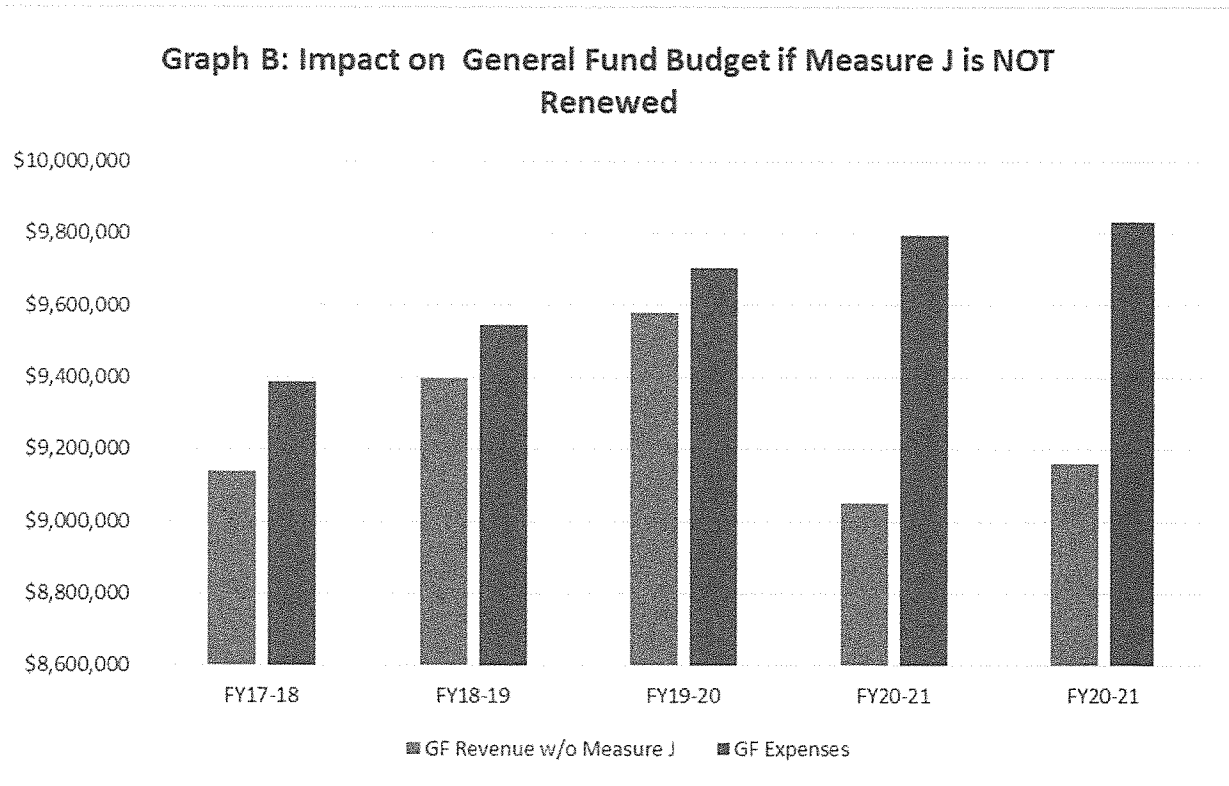
One major assumption of the Five Year Forecast is the renewal of Measure J, the Special Municipal Tax of \$195 per residential/commercial unit, in 2018 or 2019. Without a renewal, the tax would expire June 2020 which is reflected in Table D below. More significantly, Table D indicates that in FY20-21 the Town would need to fill an estimated \$713,000 gap in revenue which covers approximately 7% of General Fund expenditures in FY20-21. Without a replacement revenue source, this would necessitate a major restructuring of the projected budget in FY20-21 which would result in adverse impacts to Town services.

TABLE D

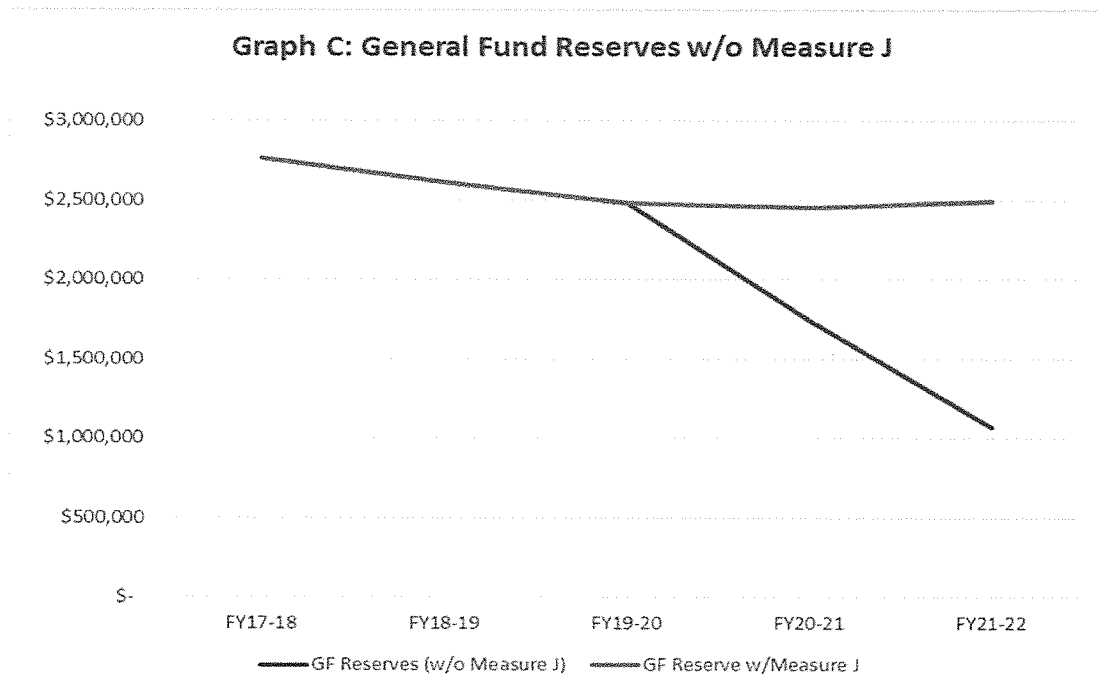
Revenue Scenarios Five Year Forecast

	Est Yr End					
	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Total GF Appropriations	\$ 8,560,564	\$ 9,385,995	\$ 9,546,690	\$ 9,705,549	\$ 9,794,180	\$ 9,831,659
Total GF Revenues and Transfers	\$ 8,917,011	\$ 9,136,763	\$ 9,396,371	\$ 9,579,386	\$ 9,764,246	\$ 9,874,548
Surplus (Deficit)	\$ 356,447	\$ (249,232)	\$ (150,319)	\$ (126,163)	\$ (29,934)	\$ 42,889
Less Special Municipal Tax (Measure J)	\$ -	\$ -	\$ -	\$ -	\$ (713,000)	\$ (713,000)
Adjusted Surplus(deficit)	\$ 356,447	\$ (249,232)	\$ (150,319)	\$ (126,163)	\$ (742,934)	\$ (670,111)
Proj. GF Fund Balance	\$ 3,008,924	\$ 2,759,692	\$ 2,609,373	\$ 2,483,210	\$ 1,740,276	\$ 1,070,166
In % of GF Exp	35.1%	29.4%	27.3%	25.6%	17.8%	10.9%

Graph B illustrates the short fall between forecasted revenues and expenditures if the Town did not revise its budget to reflect the loss of Measure J revenues.



In FY21-22, if forecasted expenditures did not change (highly unlikely), Table D indicates that General Fund reserves would be approximately 11% which is well below the Town policy of maintaining a 25% fund balance reserves and would adversely impact the Town's cash flow and operations. Ideally, communities should maintain a minimum 15% fund balance for cash flow purposes. Graph C shows the precipitous drop in GF reserves without the renewal of Measure J.



Overall, with the renewal of Measure J, the Five Year Forecast indicates the Town will be able to manage its resources to maintain a stable financial position with solid reserves.

Five Year Capital Improvement Plan (5 Yr CIP)

The Five Year CIP will allow the Council to set priorities for future projects and assess the availability of funding. The Council only adopts the first year of the 5 Yr CIP. While the total 5 Yr CIP budget is approximately \$11,200,000, the budget for FY17-18 is approximately \$2,700,000. The funding comes from a variety of federal, state, local grants such as the Highway Bridge Program, sales tax from TAM, gas tax, Measure J, and Measure A Park monies.

The FY17-18 CIP is much higher than the previous year's CIP because it contains projects to repair the damage to roads caused by the winter storms. The CIP lists all those storm repair projects as one large CIP project of approximately \$700,000 because these projects are eligible for FEMA reimbursement. It should be noted that the list does include non-CIP costs such as emergency repairs and debris clean-up. However, this approach is preferred because it does not artificially increase General Fund expenditures for one year, allows us to better track costs, and recognizes the projects as one time budget expenditures.

If you remove the FEMA projects, the FY17-18 CIP is similar to previous CIP budgets. However, this CIP is one of the most ambitious programs to date. Specifically, the budget contains \$90,000 for trails improvements (\$30,000 in County Measure A Park funds and \$60,000 in Measure J funds) and eight major road related construction projects including maintenance projects. All the road projects are slated to begin this fiscal year. It should be noted that the consulting project engineer referred to in "Personnel Costs" section would be responsible for

managing these numerous projects. This CIP budget contemplates financing a few improvements with a loan from the County, but staff is still working out the details as to repayment sources and need for the upfront funding.

For more information on the Five Year CIP, please refer to the CIP narrative.

Financial Challenges in FY17-18 and in the Future

It goes without saying that the renewal of the Special Municipal Tax (Measure J) is one of the greatest challenges facing the Town over the five year period. However, the good news is that the Town has sufficient lead time to discuss and address the issue.

Similar to previous years where a Town tax measure was slated to expire, Table E explores other revenue options. Specifically, there are two potentially large untapped resources:

- Parking revenue- The managed parking concept is anticipated to be discussed in 2018 after the Council completes its discussion regarding the Parkade.
- Annexation of unincorporated areas which are partially surrounded by the Town limits- The Marin Local Agency Formation Commission (LAFCO), the agency responsible for annexations in the County, is in the process of conducting a study to review and develop policies and procedures to effectuate city annexations of unincorporated lands that are entirely or substantially surrounded by the affected city (i.e., “islands”). Staff will keep the Council apprised of LAFCO’s progress on the Ross Valley study.

Table E- Future Funding OptionsTo Consider				
	FY18-19	FY19-20	FY20-21	FY21-22
Renewal Measure J (Special Muni Tax)	\$ 713,000	\$ 713,000	\$ 713,000	\$ 713,000
Increase Utility Tax by 1%	\$ 92,963	\$ 93,427	\$ 93,894	\$ 94,364
Parking Revenue (\$5000/weekend)	\$ 256,250	\$ 262,656	\$ 269,223	\$ 275,953
Annexation	tbd	tbd	tbd	tbd
Increase Fees and Permits (100% cost recovery)	\$ 23,063	\$ 23,639	\$ 24,230	\$ 24,836
Note : fees and permits @ 2.5% CPI				

Another key issue for the Council to address will be the expiring labor contracts (MOU’s) with the Service Employees International Union (SEIU) and Fairfax Police Officer Association (FPOA). The current MOU’s are for three years, but will expire June 30, 2018.

Special Thanks

I would like to thank the Town staff for their input and insights as we prepared this draft document, with special appreciation to our Finance staff, mainly Finance Director, Michael Vivrette, for continuing his efforts to refine the budget format with a goal of creating a more transparent and readable budget. Michael continues to strive to create a budget that meets the “best practice” guidelines of the California Society of Municipal Finance Officers.

On behalf of Town staff, our continued “thanks” to all the Fairfax residents who supported Measure D, the extension and increase in the local sales tax in 2016. My impression is that our citizenry continues to be happy with the level of Town services and the Council’s efforts to enhance services. Without our residents’ support, the Town would be facing a draconian reduction in service levels.

Staff members continue to wear multiple hats to balance the competing priorities of the Town. I am proud of our dedicated staff and the pride they take in doing their work. That attitude combined with the efforts of our numerous volunteers allows us to accomplish much more than we could otherwise. That is the essence of the Fairfax way.

This past year the Town Council has had to weather a few storms, both figuratively and literally. In both cases, the Council has demonstrated the fortitude and leadership in meeting these challenges head on. I look forward to working with Council and community to continue our on-going goal of enhancing the quality of life in Fairfax.

Lastly, we all need to remember to *Keep Smiling*☺

Respectfully Submitted,



GARRETT TOY
Town Manager



Town of Fairfax 2017-18 Operating Budget

FUND SUMMARY

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GENERAL FUNDS

	Audited Bal 30-Jun-16	FY 2016-17 Revenues	FY 2016-17 Approp	FY 2016-17 Transfers	Balance 30-Jun-17	FY 16/17 ACTIVITY	Balance 30-Jun-17	FY 2017-18 Revenues	FY 2017-18 Approp	FY 2017-18 Transfers	Balance 30-Jun-18	FY 17/18 ACTIVITY
01 General Fund	1,396,476	6,250,606	(8,464,558)	2,550,154	1,732,678	336,202	1,732,678	6,527,100	(9,294,792)	2,579,663	1,544,649	(188,029)
02 Dry Period Fund	1,000,000	-	-	-	1,000,000	-	1,000,000	-	-	-	1,000,000	-
03 Equipment Replacement Fund	67,635	-	(69,946)	50,000	47,689	(19,946)	47,689	-	(67,200)	40,000	20,489	(27,200)
04 Building & Planning Fund	3,632	511,996	-	(470,000)	45,628	41,996	45,628	504,100	-	(520,000)	29,728	(15,900)
05 Communication Equip Replace Fund	6,189	-	(6,000)	6,000	6,189	-	6,189	-	(6,000)	6,000	6,189	-
06 Retirement Fund	76,886	1,293,255	-	(1,300,000)	70,141	(6,745)	70,141	1,364,900	(0)	(1,400,000)	35,041	(35,100)
08 Office Equip Replacement Fund	101,658	-	(20,000)	25,000	106,658	5,000	106,658	-	(18,000)	35,000	123,658	17,000

Total General Funds

	2,652,477	8,055,857	(8,560,504)	861,154	3,008,984	356,507	3,008,984	8,396,100	(9,385,992)	740,663	2,759,755	(249,229)
	0.06				35.1%	226,883					29.4%	(20,690)

SPECIAL REVENUE FUNDS

07 Special Police Fund	30,020	100,000	-	(100,000)	30,020	-	30,020	100,000	-	(100,000)	30,020	-
11 Recreation Fund												
12 Fairfax Festival Fund	5,544	36,000	(31,700)	(5,000)	4,844	(700)	4,844	36,000	(31,700)	(5,000)	4,144	(700)
20 Measure J - Municipal Svs Tax Fund	68,560	713,600	-	(741,600)	40,560	(28,000)	40,560	713,600	-	(741,600)	12,560	(28,000)
21 Gas Tax Fund	10,063	155,321	-	(170,000)	(4,616)	(14,679)	(4,616)	213,257	-	(253,000)	(44,359)	(39,743)
22 Measure A - Transportation	-	157,891	-	-	157,891	157,891	157,891	87,640	-	-	245,531	87,640
23 Measure A - Parks	74,097	55,751	-	(25,000)	104,848	30,751	104,848	60,091	-	(25,000)	139,939	35,091

Total Special Revenue Funds

	188,284	1,218,563	(31,700)	(1,041,600)	333,547	145,263	333,547	1,210,588	(31,700)	(1,124,600)	387,835	54,288
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DEBT SERVICE FUNDS

43-45 Measure K - Debt Service	897,906	486,475	(402,824)	-	981,557	83,651	981,557	507,000	(522,200)	-	966,357	(15,200)
48 Lease Agreement		198,113	(198,113)		-	-	-	452,909	(452,909)		-	-

Total Debt Service Funds

	897,906	486,475	(402,824)	-	981,557	83,651	981,557	507,000	(522,200)	-	966,357	(15,200)
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CAPITAL PROJECTS

51 Capital Projects - Grants	405,026	817,083	(330,008)	83,000	975,101	570,075	975,101	1,529,779	(1,758,279)	190,500	937,101	(38,000)
52 Disaster Fund	(0)	-	-	-	(0)	-	(0)	666,563	(711,000)	44,437	-	0
53 Capital Projects - Town	145,992	18,554	(60,365)	88,446	192,627	46,635	192,627	44,000	(189,000)	145,000	192,627	-

Total Capital Projects Funds

	551,018	835,637	(390,373)	171,446	1,167,728	616,710	1,167,728	2,240,342	(2,658,279)	379,937	1,129,728	(38,000)
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FIDUCIARY FUNDS

73 Open Space	15,692	370	(461)	9,000	24,601	8,909	24,601	2,000	(4,000)	4,000	26,601	2,000
Total Fiduciary Funds	15,692	370	(461)	9,000	24,601	8,909	24,601	2,000	(4,000)	4,000	26,601	2,000

TOTALS

	4,305,377	10,795,015	(9,583,975)	-	5,516,418	1,211,041	5,516,417	12,808,939	(13,055,080)	-	5,270,277	(246,141)
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Town of Fairfax

2017-18 Operating Budget

INTERFUND TRANSFERS

SUMMARY ALL FUNDS

FY 2014-15
Actual

FY 2015-16
Actual

FY 2016-17
Adopted

FY 2016-17
Projected

FY 2017-18
Proposed

TRANSFERS TO:

01 General Fund	2,209,324	2,655,373	2,683,600	2,683,600	2,749,100
02 Dry Period Fund	141,947	-	-	-	-
03 Equipment Replacement	204,935	68,300	50,000	50,000	40,000
05 Communications Fund	-	6,000	6,000	6,000	6,000
08 Office Equipment Replacement	50,000	55,000	25,000	25,000	35,000
11 Recreation	58,185	3,881	-	-	-
23 Measure A - Parks	-	-	-	-	-
49 CIP - Emergency Watershed	-	-	-	-	-
50 CIP - Fairfax Creek Restoration	-	-	-	-	-
51 CIP - Grants	213,023	290,745	240,891	83,000	190,500
52 CIP - Storm	-	-	-	-	44,437
53 CIP - Town	144,756	108,446	40,000	88,446	145,000
54 Pavilion Restoration	-	-	-	-	-
55 Measure K	-	-	-	-	-
73 Open Space	8,000	5,000	14,000	9,000	4,000
	3,030,170	3,192,744	3,059,491	2,945,046	3,214,037

TRANSFERS FROM:

01 General Fund	698,846	181,627	85,000	133,446	169,437
02 Dry Period Fund	-	-	-	-	-
04 Building & Planning	440,000	535,000	470,000	470,000	520,000
05 Communications Fund	-	-	-	-	-
06 Retirement Fund	1,190,000	1,250,000	1,300,000	1,300,000	1,400,000
07 Special Police Services	100,000	120,000	100,000	100,000	100,000
12 Fairfax Festival	5,000	3,273	5,000	5,000	5,000
20 Measure J - Municipal Services Tax	403,300	699,100	741,600	741,600	741,600
21 Gas Tax	172,000	215,000	170,000	170,000	253,000
22 Measure A - Transportation	-	-	157,891	-	-
23 Measure A - Parks	-	-	30,000	25,000	25,000
41-45 Debt Service	-	-	-	-	-
51 CIP - Grants	-	58,893	-	-	-
52 CIP - Storm	21	-	-	-	-
53 CIP - Town	-	-	-	-	-
54 Pavilion Restoration	-	-	-	-	-
55 Measure K	-	-	-	-	-
	3,009,167	3,062,892	3,059,491	2,945,046	3,214,037
	21,003	129,852	-	-	-



Town of Fairfax

2017-18 Operating Budget

FUND SUMMARY

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APPROPRIATIONS - ALL FUNDS

GENERAL FUNDS

01 General Fund	1,052,311	674,132	5,399,202	722,442	497,705	949,000	9,294,792
02 Dry Period Fund	-	-	-	-	-	-	-
03 Equipment Replacement Fund	-	-	50,600	-	-	16,600	67,200
04 Building & Planning Fund	-	-	-	-	-	-	-
05 Communication Equip Replace Fund	-	-	6,000	-	-	-	6,000
06 Retirement Fund	-	-	-	-	-	-	-
08 Office Equip Replacement Fund	18,000	-	-	-	-	-	18,000

Total General Funds

	1,070,311	674,132	5,455,802	722,442	497,705	965,600	9,385,992
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SPECIAL REVENUE FUNDS

07 Special Police Fund	-	-	-	-	-	-	-
12 Fairfax Festival Fund	-	-	-	-	31,700	-	31,700
20 Measure J - Municipal Svs Tax Fund	-	-	-	-	-	-	-
21 Gas Tax Fund	-	-	-	-	-	-	-
22 Measure A - Transportation	-	-	-	-	-	-	-
23 Measure A - Parks	-	-	-	-	-	-	-

Total Special Revenue Funds

	-	-	-	-	31,700	-	31,700
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DEBT SERVICE FUNDS

43-45 Measure K - Debt Service	-	-	-	522,200	-	-	522,200
48 Lease Agreement	-	-	-	-	-	452,909	452,909

Total Debt Service Funds

	-	-	-	522,200	-	-	522,200
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CAPITAL PROJECTS

51 Capital Projects - Grants	-	-	-	1,758,279	-	-	1,758,279
52 Disaster Fund	-	-	-	711,000	-	-	711,000
53 Capital Projects - Town	-	-	-	189,000	-	-	189,000

Total Capital Projects Funds

	-	-	-	2,658,279	-	-	2,658,279
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FIDUCIARY FUNDS

73 Open Space	-	-	-	-	4,000	-	4,000
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Total Fiduciary Funds

	-	-	-	-	4,000	-	4,000
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TOTAL APPROPRIATIONS - ALL FUNDS

Percent of Total Appropriations (with CIP)	1,070,311	674,132	5,455,802	3,902,921	533,405	1,418,509	13,055,080
	8.2%	5.2%	41.8%	29.9%	4.1%	10.9%	100.0%
Percent of Total Appropriations (NO CIP)	10.3%	6.5%	52.5%	37.5%	5.1%	13.6%	79.6%



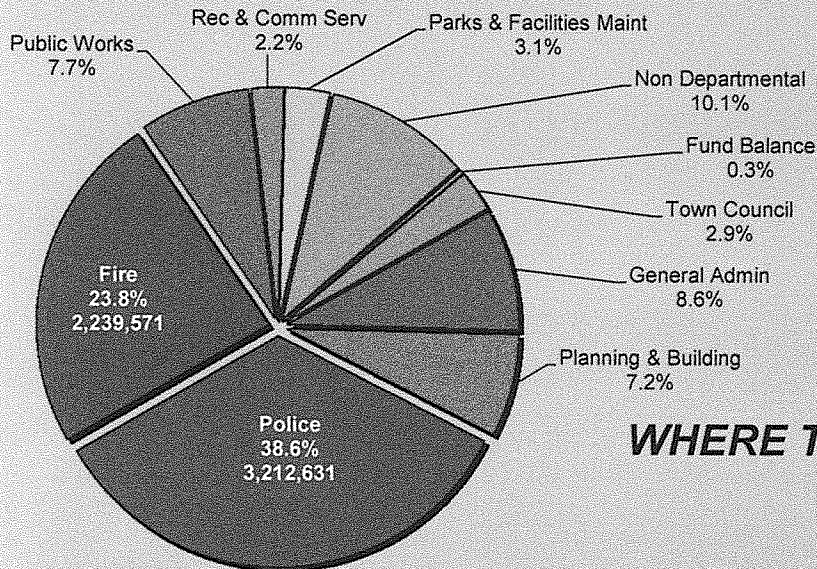
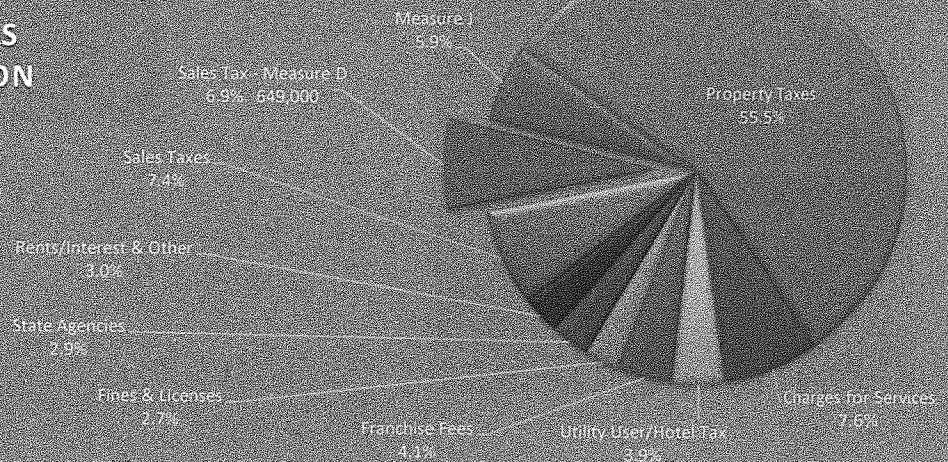
Town of Fairfax

2017-18 Operating Budget

GENERAL FUND AT A GLANCE

WHERE THE MONEY COMES FROM...

SOURCE OF FUNDS
FOR GENERAL FUNDS
TOTAL = \$9.41 MILLION

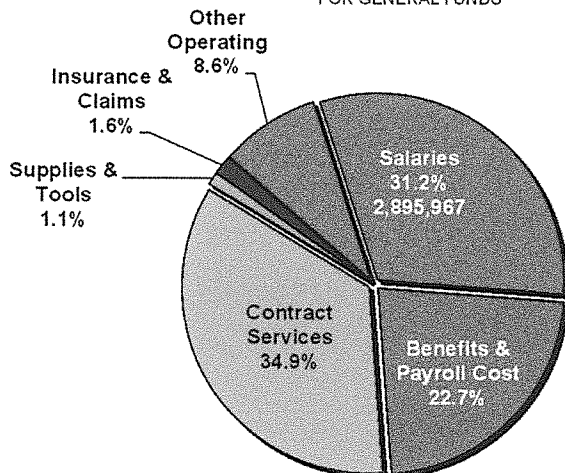


WHERE THE MONEY GOES TO...

USE OF FUNDS
FOR GENERAL FUNDS
TOTAL = \$9.41 MILLION

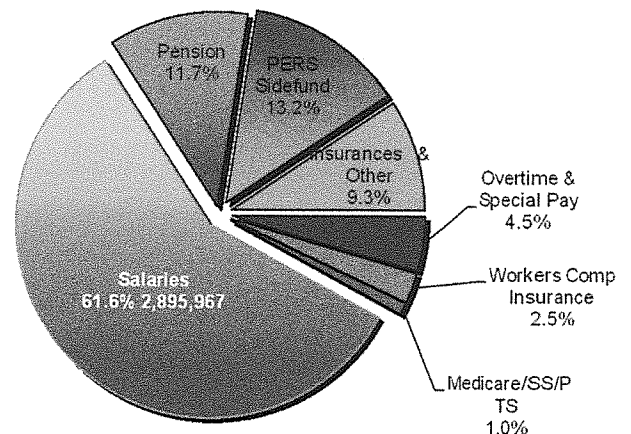
EXPENDITURES BY CATEGORY

USE OF FUNDS
FOR GENERAL FUNDS



PERSONNEL EXPENSES

USE OF FUNDS
FOR GENERAL FUNDS





Town of Fairfax

2017-18 Operating Budget

FUND
DEPT

01 GENERAL FUND

The General Fund is the primary fund for day-to-day operations. It is the largest portion of the budget and is used to account for all financial resources except those required to be accounted for in another fund.

The General Fund is one of seven funds (01,02,03,04,05,06,08) cumulatively referred to as the "General Funds".

FUND SUMMARY	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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BEGINNING FUND BAL

1,036,099	842,740		1,396,476	1,732,678
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REVENUES

PROPERTY TAXES	3,400,902	3,565,462	3,677,000	3,825,516	3,868,000
SALES TAXES	1,103,075	1,145,060	1,143,000	1,125,352	1,344,200
USER FEES (UUT/TOT)	350,081	378,779	372,000	360,220	370,000
FRANCHISE FEES	347,215	377,810	402,000	384,401	388,800
FINES & LICENSES	256,808	266,349	244,000	282,025	254,000
RENTS & INTEREST	30,828	26,671	34,000	46,554	41,300
REVENUES FROM OTHER AGENCIES	131,991	61,582	55,000	49,574	49,200
CHARGES FOR CURRENT SERVICES	67,865	172,313	152,000	176,964	211,600

SUBTOTAL REVENUES	5,688,765	5,994,026	6,079,000	6,250,606	6,527,100
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APPROPRIATIONS

100 TOWN COUNCIL	246,031	187,827	228,326	294,943	271,516
200 GENERAL ADMINISTRATION	554,211	610,826	700,657	617,356	780,795
300 DEVELOPMENT SERVICES	576,668	597,596	658,812	651,930	674,132
400 PUBLIC SAFETY	4,581,461	4,920,217	5,182,377	5,082,532	5,399,202
500 PUBLIC WORKS	474,118	576,010	663,062	675,495	722,442
600 RECREATION & COMMUNITY SERVICES	84,304	180,539	188,989	178,036	210,251
600 PARKS & FACILITY MAINTENANCE	191,788	196,752	293,193	249,579	287,454
700 NON DEPARTMENTAL	684,021	604,806	733,800	714,690	949,000

SUBTOTAL APPROPRIATIONS	7,392,602	7,874,573	8,649,217	8,464,558	9,294,792
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TRANSFERS

TRANSFERS TO 01-GENERAL FUND	2,209,324	2,655,373	2,683,600	2,683,600	2,749,100
TRANSFERS FROM 01-GENERAL FUND	(698,846)	(181,627)	(85,000)	(133,446)	(169,437)

SUBTOTAL TRANSFER	1,510,479	2,473,746	2,598,600	2,550,154	2,579,663
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NET DEPARTMENT ACTIVITY	(193,359)	593,199	28,383	336,202	(188,029)
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ENDING FUND BAL	842,740	1,435,939		1,732,678	1,544,649
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COMPONENTS OF FUND BALANCE:

Undesignated	842,740	1,435,939		1,732,678	1,544,649
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NOTES:



Town of Fairfax

2017-18 Operating Budget

GENERAL FUND

The Town's General Fund accounts for all unrestricted revenues and pays for the day-to-day operating costs of traditional municipal services like police, fire, planning, public works maintenance and administrative support services.

REVENUE DETAIL	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
01-010-101 Property Taxes - Secured	2,182,917	2,317,234	2,420,000	2,488,878	2,600,000
01-010-102 Property Taxes - Unsecured	45,374	45,732	50,000	47,800	50,000
01-010-103 Property Taxes - Prior	3,442	1,723	5,000	1,911	3,000
01-010-104 Real Estate Transfer Tax	44,760	44,644	50,000	40,369	45,000
01-010-110 Supplemental Property Taxes	63,873	51,091	52,000	53,480	55,000
01-010-112 ERAF Excess Distribution	389,817	384,617	385,000	478,078	400,000
01-010-117 Property Tax In-Lieu of VLF ("VLF Swap")	615,950	666,551	660,000	660,000	660,000
01-060-113 Storm Run-Off Fee	54,770	53,870	55,000	55,000	55,000
Total Property Taxes	3,400,902	3,565,462	3,677,000	3,825,516	3,868,000
01-010-105 In-Lieu Sales Tax ("Triple Flip")	155,125	121,750	-	-	-
01-010-106 Sales Tax ("Bradley Burns")	468,368	532,327	638,000	619,639	630,900
01-010-111 1/2 cent Sales Tax - Prop. 172	64,292	69,074	65,000	63,129	64,300
01-010-118 1/2 cent Sales Tax - Measure D	415,290	421,910	440,000	442,584	-
01-010-118 3/4 cent Sales Tax - Measure C	-	-	-	-	649,000
Total Sales Taxes	1,103,075	1,145,060	1,143,000	1,125,352	1,344,200
01-010-108 Utility Users Tax - Telecom	104,402	99,930	100,000	92,389	100,000
01-010-109 Utility Users Tax - Energy	211,043	250,811	240,000	240,000	240,000
01-010-114 Hotel Users Tax	34,637	28,039	32,000	27,831	30,000
Total User Taxes	350,081	378,779	372,000	360,220	370,000
01-020-201 Garbage	166,310	186,958	190,000	191,777	193,800
01-020-202 Gas & Electric	57,673	60,995	62,000	65,326	65,000
01-020-203 Cable	123,231	129,857	150,000	127,297	130,000
Total Franchise Fees	347,215	377,810	402,000	384,401	388,800
01 - GENERAL FUND TAXES & FEES	5,201,273	5,467,111	5,594,000	5,695,489	5,971,000

NOTES:

Secured & Unsecured Property Taxes - Homes, businesses, and other taxable real and personal property are subject to levy of property taxes. The fixed statutory rate is 1% of assessed valuation. Assessed value is based on the 1975 property values with subsequent increases limited to 2% or CPI growth, whichever is less. However, when there is a change in property ownership, property renovation or new construction property is reappraised at its full current market value. Property tax is the biggest revenue source for the General Fund.

Supplemental Property Taxes Include property taxes apportioned to the City by the County from the 1% Tax Rate of the Supplemental Roll Allocation in accordance with Revenue and Taxation Code 75.50.

Property Transfer Tax - The city levies a \$0.55 fee for each \$1,000 value of real property transferred in the City; the County Recorder imposes these fees and remits them to the City. Estimates are based on historical experience.

Sales taxes are the General Fund's second largest revenue source. The Town's 1% Bradley Burns Sales Tax is levied on all merchandise. These funds are received directly from the State on a monthly basis. Sales taxes represent approximately 29% of the General Fund revenues. Measure D is the five year 1/2 cent sales tax passed in November, 2012 Expiring April 2017. Revenue estimate are based on projections from Muni Finance, the Town's revenue consultant

Utility (User) Taxes -The Municipal Code levies an 4% tax on the value public utilities services consumed within the Town limits for electricity, natural gas, and telecommunicationssubject to a cap of \$360.

Franchise Fees - Garbage, Gas & Electric, Cable, The Town receives franchise fees from various public utilities and other corporations who furnish gas, electric, water, Cable TV, refuse or similar services to citizens living within town boundaries. The various fees are delineated in franchise agreements and are paid directly to the town by these franchisees. Estimates are based on historical experience considering contract amendments which impact future years.



Town of Fairfax

2017-18 Operating Budget

GENERAL FUND

REVENUE DETAIL		FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
01-030-301	Business Licenses	125,721	133,108	128,000	133,000	130,000
01-040-401	Vehicle Code Fines	25,161	27,837	21,000	23,376	24,000
01-040-402	Parking & Other Fines	105,925	105,404	95,000	125,650	100,000
	Total Fines & Licenses	256,808	266,349	244,000	282,025	254,000
		-	-			
01-050-501	Rents - Women's Club and Other	11,762	12,750	13,000	14,189	13,000
01-050-504	Rents - CYO - Pavilion	6,110	-	10,000	5,400	6,000
01-050-506	Rents - Pavilion - Other	7,605	2,850	4,000	8,064	5,000
01-050-507	Janitor.Maint fees	1,150	975	1,000	1,000	1,000
	Total Rental & Maintenance Fees	26,627	16,575	28,000	28,653	25,000
		-	-			
01-050-500	Interest Earnings - Bank	122	-	1,000	1,295	1,300
01-050-502	Interest Earnings - LAIF	4,080	10,096	5,000	16,606	15,000
	Total Investment Earnings	4,201	10,096	6,000	17,901	16,300
		-	-			
01-060-602	Motor Vehicle License Fees	-	3,080	2,500	3,333	3,500
01-060-607	Homeowner's Property Tax Rebates (HOPTR)	13,186	13,215	13,200	13,044	13,200
01-060-614	State Aid	13,999	6,174	-	657	-
01-060-615	Police Training Reimbursement (POST)	2,183	1,878	2,000	5,380	5,300
01-060-619	SB90 - State Manadated Claims	84,269	16,976	-	-	-
01-060-699	Other & Miscellaneous Revenues & WC	6,095	8,000	25,000	14,995	15,000
01-070-702	Zero Waste Grant	12,259	12,259	12,300	12,166	12,200
	Total Revenues From Other Agencies	131,991	61,582	55,000	49,574	49,200
		-	-			
01-080-802	Sale Of Maps & Publications/Copies	1,478	1,237	1,000	1,558	1,500
01-080-803	Special Police Services (includes booking fees)	14,922	12,877	15,000	14,542	15,000
01-080-804	Police Dispatch Services	45,000	54,000	54,000	54,000	76,000
01-080-814	Miscellaneous - General	3,170	17,105	10,000	10,438	10,000
01-080-903	General Recreation	3,295	2,267	3,000	2,560	3,000
01-090-508	Recreation Rentals		11,670	5,000	8,275	15,000
01-090-790	Recreation Fundraising		5,323	9,000	10,851	9,000
01-090-822	Recreation Summer Camp Fees		11,680	15,000	19,540	27,100
01-090-904	Recreation Classes & Partnerships		56,154	40,000	55,200	55,000
	Total Charges For Current Services	67,865	172,313	152,000	176,964	211,600
		-	-			
	01 - GENERAL FUND TAXES & FEES	5,201,273	5,467,111	5,594,000	5,695,489	5,971,000
	01 - GENERAL FUND TOTAL	5,688,765	5,994,026	6,079,000	6,250,606	6,527,100
		-	-	-	102.8%	107.4%

Business Licenses - For the privilege of doing business within Town Limits, all businesses are assessed a business license fee in accordance with Municipal Code. The Town charges business license tax in accordance with the provisions of Government Code 37101

Transient Occupancy Tax (Motel or Bed Tax) - The Town levies a 10% tax for the privilege of occupying quarters on a transient basis. This tax is imposed upon persons staying 30 days or less in a motel or lodging facility.

Police Dispatch Services - The Town provides dispatch services to the Town of Ross and the College of Marin under an Intergovernmental Service Sharing agreement.



Town of Fairfax

2017-18 Operating Budget

GENERAL FUND

APPROPRIATIONS SUMMARY		FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
111	Town Council	26,103	28,653	28,552	28,059	31,714
112	Town Treasurer	246	2,340	4,774	4,062	4,802
116	Independent Auditor	54,081	59,325	55,000	51,684	55,000
121	Town Attorney	165,601	97,508	140,000	211,137	180,000
Total Town Council		246,031	187,827	228,326	294,943	271,516
211	Town Manager	158,810	170,545	187,612	179,901	191,330
221	Town Clerk	111,459	122,837	143,706	127,251	154,957
222	Elections	4,866	477	14,000	5,843	48,000
231	Personnel	56,482	70,772	67,962	63,804	74,223
241	Finance	222,594	246,195	287,378	240,558	312,284
Total General Administration		554,211	610,826	700,657	617,356	780,795
311	Planning	420,396	417,727	487,568	473,065	485,555
321	Building Inspection & Permits	156,272	179,869	171,244	178,864	188,578
Total Development Services		576,668	597,596	658,812	651,930	674,132
411	Police	2,676,118	2,892,599	3,051,487	2,965,345	3,148,031
418	Disaster Preparedness	18,552	4,526	11,600	9,277	11,600
421	Ross Valley Fire Service	1,886,791	2,023,092	2,119,290	2,107,910	2,239,571
Total Public Safety		4,581,461	4,920,217	5,182,377	5,082,532	5,399,202
510	Public Works Administration	161,672	185,645	246,000	167,694	275,041
511	Street Maintenance	247,150	304,083	360,362	326,235	361,701
512	Street Lighting & Traffic Signals	65,296	86,282	56,700	75,704	85,700
513	Storm Damage FEMA	-	-	-	105,863	-
Total Public Works		474,118	576,010	663,062	675,495	722,442
616	Volunteers for Fairfax	25,478	29,001	26,196	28,201	27,689
617	Recreation	47,812	52,835	50,371	48,150	55,533
621	Fairfax Recreation (FOCAS)	-	89,294	98,022	86,703	107,328
622	Summer Camps	11,014	9,409	14,400	14,981	19,700
Total Recreation & Community Services		84,304	180,539	188,989	178,036	210,251
611	Park Maintenance	154,577	150,778	220,686	199,692	217,680
625	Rental Facilities-WC & Ballfield	42,452	45,457	72,507	52,669	69,775
911	Building Maintenance	(5,241)	517	-	(2,782)	-
Total Parks & Facility Maintenance		191,788	196,752	293,193	249,579	287,454
715	Non Departmental	684,021	604,806	733,800	714,690	949,000
TOTAL GENERAL FUND APPROPRIATIONS		7,392,602	7,874,573	8,649,217	8,464,558	9,294,792



Town of Fairfax

2017-18 Operating Budget

GENERAL FUND

APPROPRIATIONS by Object		Salaries & Wages	Benefits & Payroll Cost	Contract Services	Supplies & Tools	Other Operating	FY 2017-18 Proposed
111	Town Council	18,000	4,114	2,000	100	7,500	31,714
112	Town Treasurer	3,600	347	-	100	755	4,802
116	Independent Auditor	-	-	55,000	-	-	55,000
121	Town Attorney	-	-	180,000	-	-	180,000
Total Town Council		21,600	4,461	237,000	200	8,255	271,516
211	Town Manager	128,348	49,818	1,000	700	11,464	191,330
221	Town Clerk	86,141	37,198	26,564	200	4,854	154,957
222	Elections	-	-	43,000	-	5,000	48,000
231	Personnel	40,682	10,941	20,100	600	1,900	74,223
241	Finance	178,314	52,625	40,000	1,500	39,846	312,284
Total General Administration		433,485	150,583	130,664	3,000	63,063	780,795
311	Planning	286,299	129,951	50,000	3,500	15,805	485,555
321	Building Inspection & Permits	100,733	53,536	23,750	1,500	9,059	188,578
Total Development Services		387,032	183,486	73,750	5,000	24,864	674,132
411	Police	1,544,154	1,300,270	44,000	14,300	245,307	3,148,031
418	Disaster Preparedness	MOVED		-	100	11,500	11,600
421	Ross Valley Fire Service	-	-	2,239,571	-	-	2,239,571
Total Public Safety		1,544,154	1,300,270	2,283,571	14,400	256,807	5,399,202
510	Public Works Administration	135,920	36,967	63,500	1,308	37,346	275,041
511	Street Maintenance	157,773	73,913	35,000	37,000	58,014	361,701
512	Street Lighting & Traffic Signals	-	-	35,700	-	50,000	85,700
513	Pollution Prevention	-	-	-	-	-	-
Total Public Works		293,693	110,880	134,200	38,308	145,360	722,442
616	Volunteers for Fairfax	MOVED	16,443	5,296	4,500	1,450	27,689
617	Recreation	MOVED	30,641	13,373	10,000	120	55,533
621	Fairfax Recreation (FOCAS)	MOVED	54,009	5,179	33,600	3,000	107,328
622	Summer Camps	MOVED	-	18,000	1,600	100	19,700
Total Recreation & Community Services		101,093	23,848	61,600	9,220	14,490	210,251
611	Park Maintenance	104,186	57,556	25,000	16,000	14,938	217,680
625	Rental Facilities-WC & Ballfield	10,724	7,820	9,500	6,000	35,731	69,775
911	Building Maintenance	-	-	34,000	5,000	(39,000)	-
Total Parks & Facility Maintenance		216,003	89,224	130,100	36,220	26,158	497,705
715	Non Departmental	-	267,416	251,957	4,000	425,627	949,000
TOTAL GENERAL FUND APPROPRIATIONS		2,895,967	2,106,321	3,241,242	101,128	950,135	9,294,792
		31.2%	22.7%	34.9%	1.1%	10.2%	100.0%

TOWN MANAGER
INCLUDES TOWN COUNCIL, TOWN TREASURER, TOWN ATTORNEY,
AND TOWN MANAGER BUDGET UNITS

ORGANIZATION:

This department is comprised of the following personnel:

- 5 elected Town Council members of which one is chosen by Council Members to serve a one year term as Mayor
- 1 Elected Town Treasurer
- 1 Town Attorney appointed by the Town Council
- 1 Town Manager appointed by the Town Council

Total = 6 elected officials, 1.0 FTE benefited employee, 1 Contracted Town Attorney

2015-16 ACCOMPLISHMENTS:

- Conducted retreat with Councilmembers to establish goals and priorities
- Served as Executive Officer for the Ross Valley Fire Department and Chair of Marin County Hazardous and Solid Waste Management JPA
- Prepared applications for state and local grants (e.g., Caltrans, TAM, Marin County Hazardous and Solid Waste Management JPA)
- Issued Town Newsletter on a bi-monthly basis, list now at 900 email addresses
- Implemented use of Nextdoor
- Conducted on-line community forums on marijuana cultivation & delivery and short term rentals
- Negotiated new MOU's with SEIU, POA and approved management resolution
- Negotiated rate adjustments with MSS
- Enhanced and updated Town website
- Replaced Town servers
- Filled vacant DPW maintenance worker position
- Created new Recreation and Community Services Department to consolidate division activities
- As acting Public Works Director oversaw completion of various capital improvements such as installation of flashing beacon system on Taylor and Sir Francis Drake and Pavilion roof repair.
- Completed revisions to the Town's Emergency & Disaster Preparedness
- Secured grant funding for the Parkade renovation project
- Prepared ordinance to address marijuana cultivation
- Obtained grant funding for design and construct Class I bike lane to complete the Bike Spine project

FY 2016-17 GOALS AND OBJECTIVES (in addition to Town Council Goals):

- Adopt new personnel policies
- Facilitate Town Center Element
- Facilitate Zoning amendments per the Housing Element
- Continue Design for bridges
- Hire P/T Public Works Director



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 111 TOWN COUNCIL

ACTIVITY DESCRIPTION

The Town Council consists of five representatives elected at large by the citizens of Fairfax. Town Council is the policy-making legislative body of the Town and is responsible to the community for the implementation of all programs and services provided by the Town. The Council reviews proposals to meet community needs and initiates action for new programs. The Council also determines the ability of the Town to provide financing for various programs and services. The Council appoints various members of the community to commissions, boards and committees. The Council acts to influence local, regional and state policies favorable to the Town, through various organizations.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES
 411 REG PART-TIME SALARIES
 415 ACCRUED LEAVE CASHOUT
 421 TEMP EMPLOYEES
 492 WORKERS COMP
 493 RETIREMENT
 494 MEDICARE
 496 PERS UAL/SIDEFUND

17,523	18,000	18,000	18,000	18,000
466	684	623	415	747
1,982	1,258	1,236	1,234	1,237
238	244	244	239	244
	1,650	1,850	-	1,887

SUBTOTAL PERSONNEL

20,209	21,836	21,952	19,888	22,114
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OPERATING EXPENSES

813 OFFICE SUPPLIES
 815 PRINTING
 822 OUTSIDE CONTRACT SVS
 842 SPECIAL DEPT SUPPLIES
 861 BUS.MEET/CONF.
 862 DUES & SUBSCRIPTIONS
 890 MISCELLANEOUS

SEE NOTE

SEE NOTE

		100	1,295	100
153		200	-	200
2,739	1,904	2,000	2,317	2,000
500	407	300	250	300
1,752	3,556	3,000	4,309	6,000
750	950	1,000	-	1,000
			-	

SUBTOTAL OPERATING

5,894	6,817	6,600	8,171	9,600
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TOTAL DEPARTMENT APPROPRIATION

26,103	28,653	28,552	28,059	31,714
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Allocation of Positions:

Councilmembers

5.00	5.00	5.00	5.00	5.00
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Total Full Time Equivalent Employees

5.00	5.00	5.00	5.00	5.00
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NOTES: 822 State Lobbyist - Calif League of Cities \$ 1,321
 861 LOCC - New Councilmember orientation / MCCMC events



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 112 TOWN TREASURER

ACTIVITY DESCRIPTION

The Treasurer is elected to provide assistance to the Town Council and Town staff regarding the Town's investments and assist in reviewing the overall management of the Town's finances and annual audit. Resolution 2571 adopted by the Council on August 6, 2008 established additional duties and authorized compensation for the Town Treasurer of \$300 per month.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES
411 REG PART-TIME SALARIES
415 ACCRUED LEAVE CASHOUT
421 TEMP EMPLOYEES
461 OVERTIME
491 HEALTH INSURANCE
492 WORKERS COMP
493 RETIREMENT
494 MEDICARE
495 FICA/PTS

			-	
			-	
			-	
-	2,096	3,600	3,600	3,600
			-	
			-	
91		133	89	160
	61		135	
	27	52	52	52
		134	-	135

SUBTOTAL PERSONNEL

91	2,185	3,919	3,876	3,947
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OPERATING EXPENSES

636 OFFICE EQUIP REPLACEMENT
711 OFFICE EQUIP MAINT.
731 BLDG-GROUNDS MAINT.
801 WATER
804 TELEPHONE
811 POSTAGE
813 OFFICE SUPPLIES
815 PRINTING
822 OUTSIDE CONTRACT SVS
842 SPECIAL DEPT SUPPLIES
861 BUS.MEET/CONF.
862 DUES & SUBSCRIPTIONS
890 MISCELLANEOUS

			-	
			-	
			-	
			-	
			-	
			-	
		100	-	100
			-	
			-	
			-	
		600	-	600
155	155	155	186	155
			-	

SUBTOTAL OPERATING

155	155	855	186	855
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TOTAL DEPARTMENT APPROPRIATION

246	2,340	4,774	4,062	4,802
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Allocation of Positions:

TOWN TREASURER

1.00	1.00	1.00	1.00	1.00
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Total Full Time Equivalent Employees

1.00	1.00	1.00	1.00	1.00
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NOTES:



FUND	01 GENERAL FUND
ACTIVITY	116 INDEPENDENT AUDITOR

In conformance with State requirements the Town is audited each year by a qualified CPA firm hired by the Town Council to ensure the Town financial statements conform to Generally Accepted Accounting Procedures (GAAP). The current auditors are Maze & Associates Accountancy Corporation of Pleasant Hill, CA.

FY 2014-15	FY 2015-16	FY 2016-17	FY 2016-17	FY 2017-18
Actual	Actual	Adopted	Projected	Proposed

[illegible]

64 65 66 67 68

2,850	8,150	17,500	7,723	9,585
51,231	51,175	37,500	43,961	45,415

54,081	59,325	55,000	51,684	55,000
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54,081 59,325 55,000 51,684 55,000

0.00 0.00 0.00 0.00 0.00

821	Preparation of State Controller's Report, CAFR assistance & Single Audit, GASB 68 reports
822	Auditor Contract - Maze & Associates



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 121 TOWN ATTORNEY

ACTIVITY DESCRIPTION

The Town Attorney is appointed by the Town Council and is responsible for the administration of legal affairs of the Town. The Attorney represents the Town in lawsuits, litigation and hearings, and reviews all ordinances, contracts and other legal documents and renders legal advice and opinions for the Town. The Town Attorney attends all Council Meetings. The Town Attorney is Janet Coleson of Best, Best & Krieger in Walnut Creek.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES
411 REG PART-TIME SALARIES
415 ACCRUED LEAVE CASHOUT
421 TEMP EMPLOYEES
461 OVERTIME
491 HEALTH INSURANCE
492 WORKERS COMP
493 RETIREMENT
494 MEDICARE

			-	
			-	
			-	
			-	
			-	
			-	
			-	
			-	
			-	

SUBTOTAL PERSONNEL

- - - - -

OPERATING EXPENSES

636 OFFICE EQUIP REPLACEMENT
711 OFFICE EQUIP MAINT.
731 BLDG-GROUNDS MAINT.
801 WATER
804 TELEPHONE
811 POSTAGE
813 OFFICE SUPPLIES
815 PRINTING
821 OUTSIDE CONSULTING SVS
822 OUTSIDE CONTRACT SVS
842 SPECIAL DEPT SUPPLIES
861 BUS.MEET/CONF.
862 DUES & SUBSCRIPTIONS
890 MISCELLANEOUS

			-	
			-	
			-	
			-	
			-	
			-	
			-	
			-	
165,601	97,508	140,000	211,137	180,000
			-	
			-	
			-	
			-	
			-	

SUBTOTAL OPERATING

165,601 97,508 140,000 211,137 180,000

TOTAL DEPARTMENT APPROPRIATION

165,601 97,508 140,000 211,137 180,000

Allocation of Positions:

Total Full Time Equivalent Employees 0.00 0.00 0.00 0.00 0.00

NOTES:

821 Attorney fees



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 211 TOWN MANAGER

ACTIVITY DESCRIPTION

The Town Manager is responsible for carrying out Town Council policy and directing all Town departments. Specific responsibilities include preparation of the annual budget, representing the Town in negotiations with employee groups, advising the Council on the financial condition and needs of the Town. The Town Manager prepares the agenda for each Town Council meeting and reviews and approves all staff reports in the agenda packet, attends all council meetings. The Manager serves as Human Resource Director, acts as the Public Works Director, and alternates as Executive Officer of the Ross Valley Fire Authority.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES	98,736	112,570	122,395	121,091	126,194
415 ACCRUED LEAVE CASHOUT	4,985		2,076	5,631	2,154
421 TEMP EMPLOYEES	-	-		-	
491 HEALTH INSURANCE	20,137	21,119	21,063	19,668	19,299
492 WORKERS COMP	2,441	3,997	4,357	2,905	5,398
493 RETIREMENT	12,850	11,177	11,922	11,834	11,646
494 MEDICARE	1,407	1,597	1,703	1,710	1,762
495 FICA/PTS	(1)			-	720
496 PERS UAL/SIDEFUND		6,150	6,894	778	7,033
611 ALLOWANCES	3,600	3,816	3,600	3,816	3,960
SUBTOTAL PERSONNEL	144,155	160,427	174,010	167,433	178,166

OPERATING EXPENSES

636 OFFICE EQUIP REPLACEMENT	-	-	500	-	500
711 OFFICE EQUIP MAINT.			100	-	100
731 BLDG-GROUNDS MAINT.	3,329	3,131	2,552	2,297	2,114
801 WATER	490	499	450	380	450
802 POWER	496	591	800	921	800
804 TELEPHONE	1,740	1,060	1,500	2,021	1,500
811 POSTAGE	900	571	400	610	400
813 OFFICE SUPPLIES	1,228	761	700	1,341	700
821 OUTSIDE CONSULTING SVS	2,868		-	-	-
822 OUTSIDE CONTRACT SVS	863	251	1,000	176	1,000
861 BUS.MEET/CONF.	332	765	3,400	1,814	3,400
862 DUES & SUBSCRIPTIONS	2,409	2,488	2,200	2,908	2,200
871 LIAB & PROP INSURANCE	-	-		SEE #715	
881 SPECIAL SERVICES	-	-	-	-	-
SUBTOTAL OPERATING	14,655	10,118	13,602	12,468	13,164

SEE NOTE

TOTAL DEPARTMENT APPROPRIATION

158,810	170,545	187,612	179,901	191,330
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Allocation of Positions:

TOWN MANAGER	0.70	0.70	0.60	0.60	0.60
INTERIM TOWN MANAGER	-	-	-	-	-
MANAGEMENT ANALYST (VACANT)					
ADMINISTRATIVE ASSISTANT II	0.25	0.25	0.25	0.25	0.25
ADMINISTRATIVE ASSISTANT PT					
Total Full Time Equivalent Employees	0.95	0.95	0.85	0.85	0.85

NOTES:

862 ICMA/CMMF/+

TOWN CLERK/ELECTIONS

In Fairfax, the Town Clerk is an elected position, while the Deputy Town Clerk is a staff position. The elected Clerk is responsible to the voters directly. Many of the duties of the Clerk are mandated by Government Code, such as conducting elections; recording, publication, filing, indexing, and safekeeping of Town Council proceedings; recording and certifying all ordinances and resolutions; authenticating official records on behalf of the Town; coordinating the preparation of Town Council meeting agendas and packets; updating and maintaining the Town Code; serving as custodian of official Town records, including filing and safekeeping of all official municipal documents; preparing, publishing, and posting legal notices; providing information and research assistance to the Town Council and staff; filling public records requests; serving as filing officer for economic interest and campaign disclosure statements; and serving as the financial disclosure officer.

These two departments are comprised of one person since the elimination of a shared administrative assistant position in 2006.

Accomplishments for 2015-2016

- Administered November 2015 local election nominations
- Facilitated cancellation of November 2015 local election and appointment of nominees
- Facilitated updates to the Town Code online and on paper
- Continued implementation of a Records Management System
- Coordinated replacement of Town servers, public wifi access
- Enhanced, updated, and managed the Town's website
- Worked with the FPPC to terminate inactive campaign committees
- Coordinated Brown Act training for Town Council & Committees

GOALS FOR 2016-17

- Upgrade Town website to create more transparency
- Implement use of iPads by Town Councilmembers
- Update Employee Handbook



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 221 TOWN CLERK

ACTIVITY DESCRIPTION

The Town Clerk is an elected position in Fairfax. The Town Clerk's department provides assistance to the Mayor and Town Council, prepares Council meeting agendas and packets, and gives notice of public hearings. The Department also administers local elections, oversees compliance with legal requirements, and maintains liability claims. It keeps all official town records and authenticates official records on behalf of the Town. In addition, it responds to requests for public records.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES	64,725	69,885	76,485	75,725	84,516
415 ACCRUED LEAVE CASHOUT	-	-	1,472	-	1,625
491 HEALTH INSURANCE	24,906	25,055	27,038	25,333	26,249
492 WORKERS COMP	1,625	2,659	2,707	1,805	3,582
493 RETIREMENT	4,371	4,834	5,300	5,240	5,838
494 MEDICARE	873	949	1,058	1,032	1,169
496 PERS UAL/SIDEFUND			-	3	-
611 ALLOWANCES			-	-	360
SUBTOTAL PERSONNEL	96,500	103,383	114,059	109,138	123,340

OPERATING EXPENSES

636 OFFICE EQUIP REPLACEMENT		360	200	324	200
731 BLDG-GROUNDS MAINT.	2,778	2,843	2,439	2,195	2,046
801 WATER			100	-	100
804 TELEPHONE	694	449	108	735	108
811 POSTAGE	809	571	900	497	900
813 OFFICE SUPPLIES	552	574	500	597	500
814 LEGAL ADS	87	225	400	612	400
821 OUTSIDE CONSULTING SVS		90	200	1,368	360
822 OUTSIDE CONTRACT SVS	9,023	13,091	24,000	11,445	26,204
842 SPECIAL DEPT SUPPLIES	26	939	200	46	200
861 BUS.MEET/CONF.	855	118	400	293	400
862 DUES & SUBSCRIPTIONS	135	195	200	-	200
SUBTOTAL OPERATING	14,959	19,454	29,647	18,113	31,618

SEE NOTE
SEE NOTE

TOTAL DEPARTMENT APPROPRIATION

111,459	122,837	143,706	127,251	154,957
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Allocation of Positions:

TOWN CLERK / ASST TO TOWN MANAGER			1.00	1.00	1.00
DEPUTY TOWN CLERK/MANAGEMENT ANALYST	1.00	1.00	-	-	-
ADMINISTRATIVE ASSISTANT PT			0.0625	0.0625	0.0625

Total Full Time Equivalent Employees

1.00	1.00	1.06	1.06	1.06
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NOTES:

821 ABAG Website hosting
 822 Code updates; Minutes Clerk; Peak Democracy, website development



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 222 ELECTIONS

ACTIVITY DESCRIPTION

Local regular elections for Town offices (councilmembers, treasurer, and clerk) have been held every two years (to stagger the terms) in November of odd-numbered years pursuant to the Town Code. The Town consolidates its local elections with the County of Marin, with costs shared by all of the local agencies, school districts, and special districts. The cost has been between \$1.75 and \$3.00 per voter, but will increase \$7.00 to \$7.50 per registered voter with the passage of SB415 and Town Ordinance 807. According to the Secretary of State, Fairfax has more than 5,600 registered voters.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES
 411 REG PART-TIME SALARIES
 415 ACCRUED LEAVE CASHOUT
 421 TEMP EMPLOYEES
 491 HEALTH INSURANCE
 492 WORKERS COMP
 493 RETIREMENT
 494 MEDICARE

SUBTOTAL PERSONNEL

- - - - -

OPERATING EXPENSES

636 OFFICE EQUIP REPLACEMENT
 711 OFFICE EQUIP MAINT.
 731 BLDG-GROUNDS MAINT.
 801 WATER
 804 TELEPHONE
 811 POSTAGE
 813 OFFICE SUPPLIES
 814 LEGAL ADS
 815 PRINTING
 821 OUTSIDE CONSULTING SVS
 822 OUTSIDE CONTRACT SVS
 842 SPECIAL DEPT SUPPLIES
 861 BUS.MEET/CONF.
 862 DUES & SUBSCRIPTIONS
 890 MISCELLANEOUS

				5,000
			-	
4,790	477	14,000	5,843	43,000
76	-	-	-	

SUBTOTAL OPERATING

4,866 477 14,000 5,843 48,000

TOTAL DEPARTMENT APPROPRIATION

4,866 477 14,000 5,843 48,000

Allocation of Positions:

TOWN CLERK/ASST TO TOWN MANAGER
 DEPUTY TOWN CLERK

- - - - -
 - - - - -

Total Full Time Equivalent Employees

0.00 0.00 0.00 0.00 0.00

NOTES:

822 Increase in elections costs due to SB 415 and many agencies moving election to even years.



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 231 PERSONNEL

ACTIVITY DESCRIPTION

Personnel covers costs of recruitment, testing, physical & psychological exams as required.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES	26,266	28,574	30,427	30,164	32,455
411 REG PART-TIME SALARIES	6,820	7,609	8,564	7,475	7,625
415 ACCRUED LEAVE CASHOUT	831		584	1,252	601
421 TEMP EMPLOYEES	-	-		-	
461 OVERTIME				-	
491 HEALTH INSURANCE	537	491	5,277	464	4,957
492 WORKERS COMP	879	1,372	1,382	921	1,700
493 RETIREMENT	3,677	3,375	3,587	3,485	3,453
494 MEDICARE	452	508	540	524	555
495 FICA/PTS				-	240
496 PERS UAL/SIDEFUND		1,225		-	
611 ALLOWANCES		72		72	36
SUBTOTAL PERSONNEL	39,462	43,225	50,362	44,359	51,623

OPERATING EXPENSES

636 OFFICE EQUIP REPLACEMENT				-	
711 OFFICE EQUIP MAINT.				-	
731 BLDG-GROUNDS MAINT.				-	
801 WATER				-	
804 TELEPHONE				-	
811 POSTAGE				-	
813 OFFICE SUPPLIES				-	
814 LEGAL ADS		225	500	1,274	500
815 PRINTING				-	
821 OUTSIDE CONSULTING SVS	SEE NOTE	16,659	26,974	15,000	17,711
822 OUTSIDE CONTRACT SVS			100	-	100
842 SPECIAL DEPT SUPPLIES	SEE NOTE	361	348	600	461
861 BUS.MEET/CONF.			1,000	-	1,000
862 DUES & SUBSCRIPTIONS			400	-	400
890 MISCELLANEOUS				-	
SUBTOTAL OPERATING		17,020	27,546	17,600	19,445

TOTAL DEPARTMENT APPROPRIATION	56,482	70,772	67,962	63,804	74,223
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Allocation of Positions:

TOWN MANAGER	0.10	0.10	0.10	0.10	0.10
FINANCE DIRECTOR	0.10	0.10	0.10	0.10	0.10
PART-TIME ACCOUNTANT	0.10	0.10	0.10	0.10	0.10

Total Full Time Equivalent Employees	0.30	0.30	0.30	0.30	0.30
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NOTES:

821 Preemployment services, Attorney Fees & HR Consultant

842 Staff recognition

FINANCE DEPARTMENT

2015-16 ACCOMPLISHMENTS:

- Issued RFP for Audit services with responses from four CPA firms resulting in a reduction in audit fees.
- Completed the closing and audit for FY15 with implementation of GASB 68
- Refinanced 2008 GO Bonds and reduced bond service costs to ratepayers
- Implemented IRC 125 flex spending benefit plan to cover out of pocket medical expenses for full and part-time employees. Interviewed providers and prepared plan documents.
- Prepared Budget document for FY16 with reorganization of General Fund departments and adding two additional special revenue funds. Added exhibits for clarification and transparency.
- Resolved Social Security filings, calculation and payments for prior years. Completed necessary filings with IRS and set up payment plans.
- Implemented ICMA PTS plan as an alternative to Social Security saving Town half of the retirement payments they would otherwise have made.

FY 2016-17 GOALS AND OBJECTIVES:

- Refinance PERS Side fund – estimated savings \$250,000
- Complete the FY16 audit by December 31, 2016
- Evaluate accounting software programs to replace BDS accounting software
- Continue with electronic document management system of current and historical documents with the goal to archive, as well as to make them available for ease of research and public information
- Negotiate TRAN financing for FY15-16 with County to facilitate cash flow for operational expenses and Capital Improvement Program.
- Continue restructuring the budget to create a cohesive articulating document including five-year Capital Improvement projections and additional exhibits for demographics and personnel
- Continue research for new revenue streams

Department/Division: Finance

PERFORMANCE HIGHLIGHTS

Activity/Description	Estimated Year End FY15-16	Projected FY16-17
Number of Checks issues - Payables EFT Payroll (39 employees)	1,100 210 960	1,100 (increase use of EFT) 210 950
Number of AP Vendors	395	395
Number of 1099s issued	46	50
Number of Business Licenses	575	575
Number of CalPERS participants	32 Health 30 Retirement	32 Health 30 Retirement

WORKPLAN FY16-17

Activity/Description	Key Milestones	Est. Start Date	Est. Completion Date
Upgrade financial reporting system	Identify needs Identify products/vendors Review vendor proposals Vendor presentations Selection Implementation	MAR 2013 MAR 2013 AUG 2014 JAN 2017	MAR 2013 MAR 2013 AUG 2014 MAR 2017
Update Account Codes - include projects	Identify software and account structure Draft	OCT 2014 NOV 2016	 DEC 2016
Payroll & Personnel Administration	Update benefits system Implement tracking system for payroll /benefits by employee Research practicability of bringing payroll in-house	MAR 2014 SEP 2016 SEPT 2016	 OCT 2016 OCT 2016



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 241 FINANCE

ACTIVITY DESCRIPTION

The Finance Department is responsible for all the Town financial and accounting operations, payables, receivables, retirement, payroll, and managing portions of the insurance requirements for the town. They oversee business license collection, prepare monthly revenue & expenditure reports, and maintain the fixed asset inventories on an annual basis. The department prepares financial reports mandated by the State, the County of Marin, and other agencies. The Finance Department also prepares and oversees budget preparation.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES	107,782	110,016	114,530	110,627	113,339
411 REG PART-TIME SALARIES	36,260	37,152	43,245	36,498	44,838
415 ACCRUED LEAVE CASHOUT		2,351	2,137	2,821	2,137
421 TEMP EMPLOYEES	941	8,116	15,000	6,587	18,000
491 HEALTH INSURANCE	22,594	21,970	21,415	22,439	20,794
492 WORKERS COMP	3,953	5,954	6,095	4,063	7,442
493 RETIREMENT	16,324	13,704	14,138	13,811	14,837
494 MEDICARE	1,995	2,132	2,382	2,111	2,429
495 FICA/PTS	(1)	310	691	134	1,080
496 PERS UAL/SIDEFUND		5,000	5,605	11	5,718
611 ALLOWANCES		324		324	324
SUBTOTAL PERSONNEL	189,848	207,028	225,239	199,425	230,938

OPERATING EXPENSES

636 OFFICE EQUIP REPLACEMENT	SEE NOTE			10,000	10,000	30,000
711 OFFICE EQUIP MAINT.				300	-	300
731 BLDG-GROUNDS MAINT.						
804 TELEPHONE				1,124	2,843	2,439
811 POSTAGE				708	454	1,500
813 OFFICE SUPPLIES				871	573	700
815 PRINTING				1,246	1,227	1,500
821 OUTSIDE CONSULTING SVS	SEE NOTE			784	277	1,200
822 CONTRACT SERVICES	SEE NOTE			6,921	8,975	15,000
861 BUS.MEET/CONF.				20,417	24,412	25,000
862 DUES & SUBSCRIPTIONS				400	120	500
890 MISCELLANEOUS				110	175	1,000
SUBTOTAL OPERATING				32,746	39,168	62,139
TOTAL DEPARTMENT APPROPRIATION				222,594	246,195	287,378

Allocation of Positions:

FINANCE DIRECTOR	0.90	0.90	0.90	0.90	0.90
MANAGEMENT ANALYST (VACANT)	-	-	-	-	-
PART-TIME ACCOUNTANT (2)	0.50	0.50	0.70	0.70	0.70
PART-TIME OFFICE ASST	0.10	0.10	0.10	0.10	0.10

Total Full Time Equivalent Employees	1.50	1.50	1.70	1.70	1.70
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NOTES: 636 Contribution to reserve to replace accounting software using lease-purchase financing.
821 Bank charges/analysis, GASB 34 compliance, tax audits, actuarial study, CPA review, Assistance with implementation of accounting software
822 Payroll service, Sales tax analysis, merchant fees, bank analysis
Accounting Software (BDS, AssetMaxx)

Department/Division: Planning & Building Services

PERFORMANCE HIGHLIGHTS

Activity/Description	Estimated Year End FY14-15	Target FY15-16	Est. Year End FY15-16	Target FY16-17
Planning Permits Processed	50	+10-20%	60 (+. 1.2%)	+5-10%
Building Permits Processed	304	+10-20%	350 (+1.2%)	+0-5%
Resale Inspections	86	+10-20%	95 (+1.1%)	0%
Building Inspections	1,740	+10-20%	1,750 (1.0%)	+0-5%
Violations Processed	32	+5%	28 (-24%)	+10%
Administrative Citations	3	0	3 (same)	0
<u>Counter-calls for service:</u>				
Planning Staff;	1,680 (5-8/day approx.)	-25%	1,680	-25%
Building Staff;	1,680 (5-8/day approx.)	-25%	1,650	-25%
Director;	480 (1-3/day approx.)	Same	480	same
<u>Telephone-calls for service:</u>				
Planning Staff;	2,160 (7-12/day approx.)	-10%	2,160	10%
Building Staff;	3,600 (15/day approx.)	-10%	3,600	10%
Director;	2,640 (10-12/day approx.)	Same	2,640	Same
<u>Emails for service:</u> (not inter-office / junk mail)				
Planning Staff;	960 (3-5/day approx.)	-5%	960	-5%
Building Staff; Director;	960 (3-5/day approx.)	-5%	960	-5%
	6,000 (25/day approx.)	Same	6,000	same
Town Hall Incoming Calls / Admin. Backup	3,120 (10-16/day approx.)	Ideally: 0	3,500	Ideally 0

WORKPLAN FY16-17

Activity/Description	Key Milestones	Est. Start Date	Est. Comp. Date
Town Center Plan	Background Studies & Data Maps; Workshops (3 events); Draft Plan	June 2016	March 2017
Zoning Ordinance & Map Update	Prepare draft CH to CC amendments (underway); rezone three properties to PDD	Underway	Nov. 2016
New or updated ordinances	Second Unit and Second Unit Amnesty, MM Delivery, MM Cultivation and Airbnb	April 2016	Jan. 2017
Pedestrian & Bicycle Master Plan Update	June 6, draft Improvements.	Underway	Sept. 2016
Miscellaneous Ordinance Revisions per Planning Commission	Story measurements in hill areas, tree removal permits issued by PC, removal of APN list in Zoning Ordinances and Residential Parking Requirements	July 2016	March 2017

Planning & Building Services

FY 2015-16 ACCOMPLISHMENTS

- Recruited, interviewed, and hired a part-time **Zoning Technician**: Fall 2015.
- Held Special Planning Commission Workshop on the **Wall Property**: Oct. 22, 2015.
- Held Special General Plan Town Forum (#3) on rezoning all **Highway Commercial (CH) properties to Central Commercial (CC)** – October 29, 2015.
- Held Special Planning Commission Workshop on **Lutheran Church & Fairfax Market** Housing Opportunity Sites (per Housing Element).
- Ordinance Updated & Approved by Resolution at Planning Commission:
 - ✓ **Water Conservation for Very Low Flow Toilets** (Per MMWD @1.28 GPF).
- Ordinance Amended & Approved by Resolution at Planning Commission:
 - ✓ **Emergency Homeless Shelter On-site Management Provisions** - Per 2015 *Housing Element Update*.
- New Ordinances, Approved by Resolution at Planning Commission:
 - ✓ **Streamlined Permitting for Small Rooftop Solar Energy Systems** (< 10 KW's).
 - ✓ **Junior Second Units** (within existing residences) - Per 2015 *Housing Element*.
 - ✓ **Cultivation of Medicinal Marijuana**.
- Commenced first of three public workshops toward producing a Town Center Plan: Including the review of the Parkade Improvement Plan.

FY 2016-2017 GOALS AND OBJECTIVES

- Complete the second and third public workshops toward producing a Town Center Plan.
- Amend the Zoning Ordinance to bring it into compliance with the 2015 Housing Element (e.g., rezone all CH to CC, and three properties to PDD).
- Process & Approve RCD's Affordable Senior Housing Project (per Housing Element)
- New or updated ordinances: Second Unit and Second Unit Amnesty, MM Delivery, MM Cultivation and Airbnb.
- Complete the Update to Pedestrian & Bicycle Master Plan.
- Explore creating a Managed Parking Plan for the Town Center Area.



Town of Fairfax

2017-18 Operating Budget

FUND 01 GENERAL FUND
ACTIVITY 311 PLANNING

ACTIVITY DESCRIPTION

The Department of Building & Planning Services provides staff services to the public at the front counter at Town Hall, to the Town Council, Planning Commission/Design Review Board, and the General Plan Implementation Committee; related to the creation and implementation of planning and land use policies and regulations in Fairfax.

Department staff also oversees the contracted work of a Town Civil Engineer, the work of a prime planning consultant and sub-consultants assisting in the General Plan revisions and/or the Zoning Ordinance update as well as special environmental review (CEQA) tasks. The Planning Division processes "entitlement" permit applications, and oversees the enforcement of Town ordinances that govern the development and use of property within the community.

DEPARTMENT SUMMARY

FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Projected	FY 2017-18 Proposed
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PERSONNEL

401 REGULAR SALARIES	236,200	241,147	269,623	194,812	248,008
411 REG PART-TIME SALARIES	540	16,462	5,000	22,853	28,800
415 ACCRUED LEAVE CASHOUT	4,274	2,008	4,403	3,120	4,491
421 TEMP EMPLOYEES	1,753	1,836	15,000	24,149	5,000
491 HEALTH INSURANCE	39,861	41,634	45,420	39,425	44,373
492 WORKERS COMP.	6,291	9,592	8,638	5,759	11,518
493 RETIREMENT	43,388	25,409	24,859	19,910	25,458
494 MEDICARE	3,206	3,396	3,684	2,916	3,791
495 FICA/PTS		471	985	748	1,091
496 PERS UAL/SIDEFUND		37,600	42,150	32,785	43,000
611 ALLOWANCES		720	-	584	720
SUBTOTAL PERSONNEL	335,513	380,275	419,760	347,060	416,249

SEE NOTE

OPERATING EXPENSES

731 BLDG-GROUNDS MAINT.	4,135	3,565	2,733	2,460	2,230
802 POWER	248	295	250	460	250
804 TELEPHONE	1,479	902	1,500	1,700	1,500
811 POSTAGE	977	620	2,000	760	2,000
812 REPRODUCTION	1,041	-	1,000	-	1,000
813 OFFICE SUPPLIES	1,642	1,532	1,500	1,173	1,500
814 LEGAL ADS	1,852	929	1,500	243	1,500
815 PRINTING	523	106	2,000	2,165	2,000
821 OUTSIDE CONSULTING SVS	64,520	19,371	45,000	112,131	45,000
822 OUTSIDE CONTRACT SVS	3,423	5,390	5,000	4,027	5,000
842 SPECIAL DEPT SUPPLIES	2,030	2,263	2,000	596	2,000
861 BUS.MEET/CONF.	2,898	2,478	3,000	291	5,000
862 DUES & SUBSCRIPTIONS	115	-	325	-	325
SUBTOTAL OPERATING	84,883	37,452	67,808	126,006	69,305

SEE NOTE

SEE NOTE

SEE NOTE

TOTAL DEPARTMENT APPROPRIATION

420,396	417,727	487,568	473,065	485,555
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Allocation of Positions:

PLANNING DIRECTOR	1.00	1.00	1.00	1.00	1.00
PRINCIPAL PLANNER	1.00	1.00	1.00	1.00	1.00
SENIOR PLANNER	-	-	-	-	-
ADMIN ASSISTANT II	0.25	0.25	0.25	0.25	0.25
PLANNING INTERN	0.20	0.20	0.10	0.10	0.10
ZONING TECH / ASST PLANNER			0.50	0.50	0.50
Total Full Time Equivalent Employees	2.45	2.45	2.85	2.85	2.85

NOTES:

411 Planning Commission minutes / FY15 - Zoning Tech @ \$30/hr & Intern
814 GP & zone changes updates
821 Town Center plan dev process (LAK, Parisi, SD,al). Costs include reimbursable expenses
822 Televis Planning Commission meetings \$ 3,300