



Agenda Item No: 4.c

Meeting Date: June 16, 2014

**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: FINANCE**

**Prepared by: Mark Moses**

**Finance Director**

**City Manager Approval:** JS

**SUBJECT: CITY-WIDE BUDGET FISCAL YEAR 2014-2015**

**1) RESOLUTION ADOPTING AMENDMENTS TO THE  
CITY OF SAN RAFAEL BUDGET FOR FISCAL YEAR 2013-2014**

**2) RESOLUTION ADOPTING THE CITY OF SAN RAFAEL BUDGET  
FOR FISCAL YEAR 2014-2015**

**RECOMMENDATION: ACCEPT REPORT AND ADOPT RESOLUTIONS AS  
PRESENTED.**

**BACKGROUND:** The purpose of this report is to provide the City Council and community with the proposed City-wide budget for fiscal year 2014-2015 which has been prepared for adoption, based on the direction provided at the City Council Meeting of May 5, 2014, and to present other steps necessary to support this action and to complete the oversight and management of the budget for fiscal year 2013-2014.

The budget is both a spending plan for the City's available financial resources and the legal authority for City departments to spend these resources for public purposes. Through these resources, services are provided to meet the needs of city residents. The City Council and City staff respond to the community's needs in part through the budget which is intended to balance not only revenues and costs, but also community priorities.

The City Council received a budget report and financial update at the City Council meeting of May 5, 2014. This report included a review of the status of the current year (fiscal year 2013-2014) budget, and key fiscal issues and financial assumptions that shaped the development of a preliminary fiscal year 2014-2015 budget. Staff reported additional revenues and resources of \$777,000 for fiscal year 2013-2014 that were identified after the February 3, 2014 mid-year review. City Council directed (per staff recommendation) that these funds, coupled with other unallocated funds totaling \$56,618 be split between deferred building maintenance projects and General Fund emergency reserves.

**FOR CITY CLERK ONLY**

**File No.:** 8-5

**Council Meeting:** 6/16/2014

**Disposition:** RESOLUTIONS: 13747 / 13748

The preliminary General Fund Operating budget for fiscal year 2014-2015 that was presented on May 5 marked the second consecutive year in which the initial budget was balanced, whereby the planned expenditures for the year are fully covered by projected revenues. In addition to funding the current operational service levels, including the Homeless Initiative, the preliminary budget included provisions to add \$375,000 to building maintenance projects, \$200,000 to technology projects, \$450,000 for critical staffing needs, and \$1,000,000 to the emergency reserves.

Consistent with the direction provided by the City Council at the mid-year review, the additional one-quarter percent sales tax revenues provided by Measure E, effective April 1, 2014 through March 31, 2034, will be set aside to fund major construction and improvements to public safety facilities.

Following its review of the preliminary City-wide budget for fiscal year 2014-2015, the City Council directed staff to return with this budget for adoption.

In summary, this report will focus on the following key areas.

1. Amendments to the budget for fiscal year 2013-2014
2. Proposed budgets for all City funds for fiscal year 2014-2015

The key elements of this report were placed on the agenda for review and discussion at the Finance Committee meeting of June 12, 2014.

**ANALYSIS:**

**FISCAL YEAR 2013-2014 BUDGET AMENDMENTS**

**General Fund**

The following items were presented previously, but have not yet been incorporated into the current budget and require formal action by the City Council at this time.

1. During the mid-year budget review on February 3, 2014, staff recommended that an additional \$300,000 be dedicated to OPEB (retiree medical) liabilities. This funding was made possible by additional, one-time revenues identified at that time.
2. As reported in the May 5, 2014, budget staff report, \$417,000 is proposed to be appropriated from additional and unallocated revenues to provide supplemental funding to the building maintenance fund. This amount, coupled with the planned allocation of \$500,000 in fiscal year 2014-2015, will provide sufficient funding for Public Works to implement the priority projects that they identified for City-owned facilities during the upcoming fiscal year, and that were approved in the five-year Capital Improvement Program.
3. As reported in the May 5, 2014 budget staff report, the General Fund recently received proceeds from the PG&E loans for the City Hall HVAC replacement and LED lighting projects totaling \$569,442. These funds represent additional financing sources that have been transferred in full to the respective projects and require appropriation.

Since the May 5, 2014 budget report, the City has obtained the results of a property tax audit of the County of Marin recently conducted by the California State Controller's Office covering July 1, 2004 to June 30, 2011. Pursuant to this audit, the County Auditor will distribute one-time excess ERAF revenues of approximately \$467,183 to the City in the current fiscal year. Staff has adjusted projected property tax revenues accordingly and recommends that these funds be retained to further increase the emergency reserve. Therefore, no budget appropriation is required.

The impact of these changes is summarized in the following table and reflected in Attachment A - Exhibit I of the corresponding resolution, which amends the fiscal year 2013-2014 budget accordingly.

<b>General Fund</b>	<b>Adopted Budget FY2013-14</b>	<b>Budget as revised to date</b>	<b>Projected Changes</b>	<b>Projection for FY2013-14</b>
Revenues	\$60,253,618	\$62,923,618	\$467,183	\$63,390,801
Transfers in	1,241,424	1,241,424		1,241,424
Financing sources			569,442	569,442
<b>FY13-14 Sources</b>	<b>61,495,042</b>	<b>64,165,042</b>	<b>1,036,625</b>	<b>65,201,667</b>
FY12-13 rollover		18,604		18,604
<b>Total Sources</b>	<b>\$61,495,042</b>	<b>\$64,183,646</b>	<b>\$1,036,625</b>	<b>\$65,220,271</b>
Expenditures	59,526,424	59,230,134	\$717,000	59,947,134
Transfers out	1,925,000	1,928,894	569,442	2,498,336
<b>Appropriations</b>	<b>\$61,451,424</b>	<b>\$61,159,028</b>	<b>\$1,286,442</b>	<b>\$62,445,470</b>
<b>Operating Results</b>	<b>\$43,618</b>	<b>\$3,024,618</b>	<b>(\$249,817)</b>	<b>\$2,774,801</b>
<b>Allocation of Operating Results:</b>				
Public Safety Facilities: Measure E				\$891,000
Emergency Reserves				1,883,801
<b>Totals</b>				<b>\$2,774,801</b>

The \$2.8 million in projected positive operating results reflects an increase of \$1.8 million over the prior year results of \$1.0 million. Excluding the revenues associated with Measure E, the increase is \$0.9 million, or a 90% increase over previous year.

With these recommendations, emergency reserves in the General Fund balance are projected to reach \$4.2 million (7.0% of current year appropriations) as of June 30, 2014. This represents a \$1.9 million increase from the beginning balance of \$2.3 million. Although this remains below the 10% target, it represents significant progress for the year. In addition to its emergency reserves, the City maintains adequate balances in the internal service funds to support retiree medical payments, leave payouts, workers compensation and general liability claims.

**Other Funds**

Most of the adjustments to other funds are minor, and reflect operational adjustments initiated after the mid-year budget review. The most significant change is \$325,000 of unallocated funds previously designated by the City Council for technology projects that is appropriated for server and desktop computer upgrades to support the network and desktop migration to Windows 7. These enhancements were critical to moving the organizations desktop off the now obsolete Windows XP system. In addition, appropriations in the Community Services fund are being increased by \$120,000, to reflect additional recreation activities, most of which are offset by revenue generation. The remaining changes are related to the recording of grants.

**City-wide Impact on Appropriations**

The following table summarizes the impact of the recommended appropriation changes across all funds. The detail for this table is provided in Attachment A - Exhibit I.

<b>FY2013-14 Appropriations</b>	<b>Adopted Budget</b>	<b>Approved Changes / Restatement</b>	<b>Current Budget</b>	<b>Proposed Changes</b>	<b>Final Budget</b>
General Fund	\$61,451,424	(\$292,396)	\$61,159,028	\$1,286,442	\$62,445,470
Other Funds	46,680,337	9,165,148	55,845,485	534,664	56,380,149
Less interfund	(13,053,978)	(1,014,931)	(14,068,909)	(569,442)	(14,638,351)
<b>Net Appropriated</b>	<b>\$95,077,783</b>	<b>\$7,857,821</b>	<b>\$102,935,604</b>	<b>\$1,251,664</b>	<b>\$104,187,268</b>

**FISCAL YEAR 2014-2015 CITY-WIDE BUDGET****HIGHLIGHTS**

- ❖ **Citywide Budget:** The total proposed FY2014-2015 budget for the City is \$91,438,831. This sum reflects all funds and operations for the City, inclusive of appropriations of new resources for one time and capital projects in the amount of \$5,938,813. These appropriations are supported by FY2014-2015 revenue and other sources projected at \$93,618,371 as well as by funds retained from previous periods for capital projects. (See Attachment B – Exhibit I)
- ❖ **General Fund Budget:** The General Fund portion of the City budget is balanced in that FY2014-2015 appropriations, totaling \$64,422,287, are fully supported by FY2014-2015 General Fund revenues and transfers, projected at \$69,164,980 (see Attachment B - Exhibit II).
- ❖ **Funding Trends:** Included in the expenditure budgets are funding provisions for the following:
  - Employee retirement obligations are fully-funded in accordance with actuarially-determined contribution levels.

- The Homeless Initiative Program is incorporated into the FY2014-15 budget, and enhanced provisions are in place for funding in FY2014-15 and FY2015-16.
- Massage Ordinance Enforcement is being enhanced, with approximately twice the resources allocated in the upcoming fiscal year

❖ **State Budget Impacts:** As this staff report is being prepared, the State budget does not rely on any new actions that would have a significant, detrimental impact on the City's budget. However, the State continues to defer payments on most of the SB-90 (State Mandate) claims for reimbursement. The City's receivable for these claims is approaching \$2 million.

### General Fund

#### ***Revenue Trends and Assumptions:***

##### *Sales Tax:*

Sales tax growth has been strong, with the potential to reach a 10.0% annual increase for fiscal year 2013-2014. With the assistance of HdL Consultants, sales tax is estimated to increase by 5.9% to \$20.4 million in fiscal year 2014-2015. Sales taxes account for 30% of General Fund revenues.

##### *Property Tax:*

The City's second largest tax generator is property tax. While the City did not experience the level of property value declines seen in other areas of the state, revenues have stagnated for the past several years. Based on the most recent county property tax roll information and property transfer tax trends, we are projecting an increase of 4% to \$15.8 million in fiscal year 2014-2015. Property taxes account for 23% of General Fund revenues.

##### *Transaction & Use Tax (Measure E):*

This voter-approved, transaction and use tax (TUT) of 0.75% took effect in April 2014. Its purpose is to maintain essential City services, and provide for major public safety facilities. This transaction and use tax supplanted the former TUT (Measure S) of 0.50%.

Revenues from this tax are projected to reach \$11.2 million in fiscal year 2014-2015, with one-third of the funds allocated to public safety facilities construction and improvements. Measure E revenues account for 16.5% of General Fund Revenues.

##### *Other General Fund Revenues:*

Other revenues are expected to experience moderate growth over the next year.

##### *General Fund Expenditures:*

Expenditures are projected to grow by 4.7% in fiscal year 2014-2015; although because of several one-time transfers (e.g., PG&E loans) in fiscal year 2013-2014, overall uses grow by only 3.2%. The growth in expenditures is fueled by increases in staff and/or contractual services (\$450,000), facilities repair (\$375,000) and technology (\$200,000). Personnel costs, including step increases and contractual commitments also contribute to the projected growth.

Following two years of significant increases, MCERA pension costs decrease slightly (i.e., less than 1% reduction in rate) in fiscal year 2014-2015. MCERA contributions account for approximately 20% of general fund expenditures, therefore even relatively small changes in MCERA rates (which are largely a function of actuarial assumptions and investment returns) have a significant impact on available general fund resources. With respect to the City-wide budget, MCERA contributions represent approximately 15% of total expenditures.

The following table shows proposed FY2014-2015 budget with a comparison to the projected ending performance for FY2013-2014. The proposed budget projects approximately \$3.9 million in additional resources and approximately \$2.0 million in additional uses, compared to the projected results of the current fiscal year. Approximately 80% of the projected positive net operating results of \$4.8 million in FY2014-15 are attributable to Measure E; this reflects the first full year of collections.

<b>General Fund</b>	<b>Projected Actual FY 2013-14</b>	<b>Proposed Budget FY 2014-15</b>	<b>\$ Change from previous year</b>	<b>% Change from previous year</b>
Revenues	\$63,390,801	\$67,874,773	\$4,483,972	7.1%
Transfers in	1,241,424	1,290,207	48,783	
P.O. Rollover	18,604	0	(18,604)	
Financing Sources	569,442	0	(569,442)	
<b>Total Resources</b>	<b>\$65,220,271</b>	<b>\$69,164,980</b>	<b>\$3,944,709</b>	<b>6.0%</b>
Expenditures	\$59,947,134	\$62,772,287	\$2,825,153	4.7%
Transfers out	2,498,336	1,650,000	(848,336)	
<b>Total Uses</b>	<b>\$62,445,470</b>	<b>\$64,422,287</b>	<b>\$1,976,817</b>	<b>3.2%</b>
<b>Operating Results</b>	<b>\$2,774,801</b>	<b>\$4,742,693</b>		
Measure E set-aside	891,000	3,733,000		
<b>Net Operating</b>	<b>\$1,883,801</b>	<b>\$1,009,693</b>		

#### Other Funds

##### *Successor Agency*

Prior to the State Legislature-initiated dissolution of the Redevelopment Agency in January 2012, City Council met as the Redevelopment Agency, and approved its annual budget as part of the City-wide budget process. Under the current legislation, the Successor Agency is not required to prepare an annual budget. Funding for the Successor Agency follows a different process specified in the new law: Funding must be approved by the Successor Agency's Oversight Board and the California Department of Finance for six month periods. The economic development-related functions of the former Redevelopment Agency have been fully transferred to the City Manager's office. The San Rafael Successor Agency Oversight Board has approved the minimum allowable administrative expenses of \$250,000 annually for City staff time devoted to the dissolution of the former Redevelopment Agency.

*Capital Improvement Program (CIP)*

In a separate report to the City Council on May 5, 2014, Public Works staff presented an updated Five-year Capital Improvement Program for fiscal years 2014-2015 through 2018-2019. This document identified projects that impact all segments of San Rafael's infrastructure, including but not limited to City-maintained roads, pedestrian and bicyclist facilities, traffic control networks, drainage systems, buildings, parks, parking facilities, etc. The report included the projects planned for fiscal year 2014-2015, and the changes to the timing of projects that has been caused by emergency and other unanticipated projects. The new and carried-over appropriations for fiscal year 2014-2015 are expected to equal approximately \$14 million from special revenue, grants and other funding sources. The chief challenges of this activity include (1) project management capacity on active projects; (2) capital project funding shortages beyond the first year of the CIP; and (3) ensuring that grant-supported projects have sufficient project management and matching funds to take full advantage of the grants.

*Special Revenue and Grant Funds*

These funds have restricted uses, based on their respective sources. One significant fund in this group is the Paramedic Fund, which was presented to the City Council on May 5, 2014, in order to establish the Paramedic Tax rates for fiscal year 2014-2015. The fund has planned expenditures of \$6.6 million for the upcoming fiscal year, of which \$3.8 million, or 58%, comes from the Paramedic Tax. The balance of the funding of this activity comes primarily from third-party billings for emergency medical response services. The spending plan will not require an increase for taxpayers in San Rafael, CSA #13 or CSA #19 who pay \$89 per residential living unit and \$0.12 per square foot for non-residential buildings. In the other area served, Marinwood CFD, rates will remain at the tax rate cap of \$85 per residential living unit and \$0.11 per non-residential building square footage for fiscal year 2014-2015.

The Homeless Initiative fund was established to fund the Downtown Streets Team and other efforts to support the actions recommended by the Homelessness Ad hoc Council Subcommittee and approved by the City Council. The source of funding includes contributions from the City, County of Marin and other organizations. Fiscal year 2014-2015 marks the second full year of operations for this program, and includes provisions for increased open space management (personnel and vehicles) and additional enforcement resources from the Police Department. A new contract for the Downtown Streets Team will be brought to the City Council at a future meeting.

Measure A – Open Space is also in its second year. Funding for this activity is primarily provided by a nine-year, county-wide sales tax that is managed by the County of Marin, with the City providing discretionary contributions as needed. The focus for fiscal year 2014-2015, for which \$350,000 in revenues is projected, remains on recreational facility improvements and open-space enjoyment and safety. The fiscal year 2014-2015 Measure A – Open Space Workplan was approved by the City Council on May 5, 2014.

Measure C - the Library parcel tax, is included in this group and is funded adequately to ensure continuity of service levels in the next fiscal year. In June 2010, the citizens of San Rafael passed Measure C in order to “augment the capacity of the City of San Rafael to provide quality library services to its residents.” In fiscal year 2014-2015, this assessment is projected to provide \$875,000 in revenues dedicated to library hours, equipment, materials, and services for children, teens and adults. Since the inception of Measure C, \$541,000 has been set aside in the capital

reserve. The allocation of these special tax proceeds is consistent with the long-term strategic recommendations presented by the library director in December 2012.

The Recreation and Childcare Funds, operated by Community Services are anticipating spending plans of \$3.88 million and \$3.87 million, respectively. Fee income covers 70% of the Recreation budget, while fee and grant income cover 98% of the Childcare budget.

Other significant funds in this category include Gas Tax, Sewer Maintenance, Storm Water, and Business Improvement District. These funds are adequately funded to execute their respective spending plans for fiscal year 2014-2015.

*Enterprise Fund (Parking Services)*

The sole fund in this category is the Parking Services Fund. Currently, operations are funded via parking fees and fines, and fund balance is the only resource with which to cover capital improvements. The parking structures and lots have deferred maintenance issues that will need to be addressed over the next few years, in order to preserve these revenue-generating assets. Parking rates were increased in February 2014, in order to fund new meters and to increase resources available for maintenance. The operating and capital expenditure budgets for this fund are \$4.1 and \$0.2 million, respectively.

*Internal Service Funds and Capital Replacement Funds*

These funds are used to manage services that are delivered throughout the organization. For example, computer replacement, employee benefits, workers compensation, general liability and vehicle replacement are funded via internal charges to the funds that utilize these respective services. These funds have sufficient resources to support services for fiscal year 2014-2015. The technology internal service fund and the capital replacement funds (e.g., building maintenance, equipment and vehicle replacement) remain underfunded with respect to the City's long-term needs.

*Status of Pension Funding*

The City's Pension Funding Policy requires that the Finance Director and City Manager report on the status of pension funding as part of the annual budget adoption process.

The most recent pension actuarial valuation was prepared as of June 30, 2013 and presented to and approved by the MCERA Board on April 9, 2014. This valuation was used to determine the contribution rates for fiscal year 2014-2015. The composite rate for the City of San Rafael will be 57.70%, a small decrease from the current rate of 58.87%. The budgeted pension contribution for fiscal year 2014-2015 provides full funding for the required contribution.

Although MCERA does not provide projections regarding rates for future years, staff believes that increases in rates are very likely over the upcoming years. The primary factors that are expected to contribute to increases are: (1) completing the phasing-in of administrative costs as required by Governmental Accounting Standards Board Statements No. 67 and No.68, demographic assumption changes that will follow a review of mortality experience, and (3) volatility in investment returns. These factors could easily contribute to rate increases of two to six percent over the next two to three years. The City has dedicated a portion of its employee retirement reserve to buffering the impact of such increases. (This reserve is also used to



accumulate payments for debt service on the \$4.5 million pension obligation bonds, issued in 2010; and supplementary payment to MCERA.)

***Fund Balances and Reserves:***

All funds are projected to have a positive fund balance as of July 1, 2014, as well as June 30, 2015, under the proposed budget. General Fund Emergency Reserves are projected to increase from \$4.2 million to \$5.2 million, or 8.5% of General Fund expenditures, bringing the City even closer to its target reserve levels. There are sufficient funds retained in the general liability and workers compensation reserves to fund projected claims in those respective areas.

***City-wide Summary:***

The City's General Fund accounts for most of the major services to residents and businesses (such as police, fire suppression and prevention, planning, building, library, parks, streets, engineering, traffic enforcement and management, cultural programs). The General Fund appropriation for fiscal year 2014-2015 is approximately \$64.4 million. The following table summarizes the appropriations found in Attachment B – Exhibit I, which provides the schedule of consolidated fund activities for fiscal year 2014-2015:

<b>Fund</b>	<b>Projected Balances July 1, 2014</b>	<b>Sources (Revenues and Transfers)</b>	<b>Uses (Expenditures and Transfers)</b>	<b>Projected Balance June 30, 2015</b>
General Fund	\$5,063,213	\$69,164,980	\$64,422,287	\$9,805,906
Special Revenue/Grant/Trust	23,297,672	21,541,351	22,857,420	21,981,603
Enterprise (Parking)	444,581	4,781,000	4,281,545	944,036
Internal Service / Capital Replacement	8,331,849	12,100,192	13,821,231	6,610,810
Debt Service	165,536	200	0	165,736
Misc Capital Project Funds	2,115,738	8,700	34,400	2,090,038
Adj for ISF Charges/Transfers	0	(13,978,052)	(13,978,052)	0
<b>City-wide Totals</b>	<b>\$39,418,589</b>	<b>\$93,618,371</b>	<b>\$91,438,831</b>	<b>\$41,598,129</b>

**Staffing and Organizational Capacity:**

The proposed budget includes provisions for two additional regular positions and 1.75 fixed-term positions in order to address critical operational needs. As the economy and the City finances improve, staff is reluctant to add positions unless they are deemed critical to the success of City goals and efficient operations. Given the volatility of personnel-related costs and the cyclical nature of sales tax revenues, staff wants to avoid increasing staffing to a level that may be difficult to maintain.

**Regular Positions (2)**

Assistant Civil Engineer (1) – The purpose of this position is to provide management and oversight to projects approved and funded as part of the Capital Improvement Program (CIP). The annual cost of this position, \$191,225, is primarily funded from the General Fund, with the potential to recover a portion of the costs from grants and other project funding sources. An

additional Assistant Civil Engineer position recommended to be substituted for a vacant Associate Engineer position in order to provide further higher-level support to the implementation of CIP projects.

Management Analyst (1) – The purpose of this position is to fill a gap left by the attrition of high-level management and analytical positions over the past several years in the Fire, Community Services and Police departments. These positions provided technical and budgetary support, research, analysis, forecasting, grant application preparation, development and maintenance of policy and procedures, as well as preparation of management and council reports, goals and objectives, services agreements and support to regional efforts. Such a position relieves sworn staff (in the case of public safety) and key management and supervisory staff of administrative and analytical tasks that take them away from critical operations management. The annual cost of this position, \$140,619, is primarily funded from the General Fund, with some costs potentially recovered from the Paramedic Tax and Community Services funds.

When these two positions are combined with the part-time (0.53 equivalent) Recreation Coordinator position approved by the City Council in July 2013, the additional, full time equivalent (FTE) regular positions increase from 381.38 to 383.91.

*Fixed-term Positions (1.75)*

Guided by the City Council Resolution 12779, fixed-term employees “are established due to limits on grant funding or other known limits to the position’s duration.”

Vegetation Management (1) – This position is proposed for a two-year term in order to implement the KOSS (Keep Open Space Safe) recommendation to increase vegetation management monitoring of open space from the current level of half-time to full-time. The cost of the position, \$58,534 (of which approximately \$30,000 represents the increased funding requirements), is to be shared between the Measure A – Open Space fund and the Homeless Initiative Program.

Fire Department Administrative Support (.75) – The purpose of this position is to provide support to third-party billing. This position will supplant the existing part-time, temporary position that has proven inadequate to manage the volume of billings. The cost of the position, \$52,558, is budgeted in the Paramedic Tax Fund.

The proposed changes, combined with a short-term overhire in the City Manager’s Office bring the number of fixed-term positions from 4.19 to 6.94, and the number of total authorized positions from 385.57 to 390.85. Even with the fixed-term positions included, this level is more than 12% below the peak of 445 FTE staff that was in place during fiscal year 2007-2008.

The history and detail for all authorized positions is presented in Attachment B - Exhibit III.)

**FISCAL IMPACT:** By approving the Resolutions as presented, the City Council is authorizing the levels of expenditures, within funds, for the 2014-2015 fiscal year. The proposed budgets reflect all assumptions outlined and incorporate direction received from the Council through the June 2<sup>nd</sup> meeting.

The 2014-2015 Budget Resolution also provides for the “roll over” of unspent capital project funds from 2013-2014 for projects that will not be completed by June 30, 2014. Capital project spending occurs each year by appropriating accumulated funds (e.g., gas tax, traffic mitigation, etc.), in addition to new revenue sources. By carrying over the unspent portion of a project’s budget into the subsequent year, capital project budget performance is easier to track, because the same budget authority is not duplicated for unspent funds. This also makes it easier to match budgeted costs with actual expenditures.

Similarly, the Budget Resolution provides for the “roll over” of active purchase orders (estimated at \$400,000, most of which reflects safety vehicles on order) that have not been completed by year-end. This provides for operational continuity and avoids having to re-budget expenditures that were previously authorized.

**OPTIONS:** The City Council can choose to either:

- 1) Accept the reports, recommendations and Resolutions as presented; or
- 2) Make modifications to the recommendations, which would result in a change in the total revenue forecasts or appropriations.

**RECOMMENDATION:** Staff recommends that City Council accept the report and adopt the Resolutions as presented.

#### ATTACHMENTS

A – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL  
ADOPTING AMENDMENTS TO THE CITY-WIDE BUDGET FOR FISCAL YEAR  
2013-2014

B - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL  
APPROVING THE CITY-WIDE BUDGET FOR THE FISCAL YEAR 2014-2015 AND  
PROVIDING FOR THE APPROPRIATIONS AND EXPENDITURE OF ALL SUMS SET  
FORTH IN SAID BUDGET IN THE AMOUNT OF \$91,438,831

**RESOLUTION NO. 13747**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL  
ADOPTING AMENDMENTS TO THE CITY-WIDE BUDGET FOR  
FISCAL YEAR 2013-2014**

**WHEREAS**, the City Council approved Resolution 13554 adopting the fiscal year 2013-2014 budget, and Resolution 13673 amending said budget; and

**WHEREAS**, the City Council reviews periodic reports and recommendations from staff regarding the City's financial condition, including updated revenue projections, newly available resources over which the City Council has discretion, and emerging operational issues that require a change in budget authority; and

**WHEREAS**, staff has submitted a report and made recommendations regarding changes to the operating budget for fiscal year 2013-2014, including additional general fund allocations of \$300,000 for OPEB (retiree medical) funding, \$417,000 in funding for building maintenance and the acceptance and transfer of \$569,442 in PG&E loans to the respective project funds for which they were intended; and other fund allocations of \$534,664, \$325,000 of which is allocated to technology upgrades and \$120,000 to support increased recreation program activity in the Community Services fund; and

**WHEREAS**, staff will undertake a review of all unrestricted reserve balances as of June 30, 2014 for the purpose of determining whether any portion of those balances can be reallocated to the General Fund Emergency Reserve without compromising the purpose served by those reserves; and

**WHEREAS**, the City Council has expressed an interest in increasing the General Fund Emergency Reserve balances to the extent reasonably possible; and

**WHEREAS**, there are sufficient resources in the general fund and other designated funds to support the recommendations presented; and

**WHEREAS**, after examination, deliberation and due consideration, the City Council has accepted the staff report and recommendations.

**NOW, THEREFORE, BE IT RESOLVED**, by the San Rafael City Council that Resolution 13554 for fiscal year 2013-2014 is further amended to authorize an increase in total general fund revenues and other financing sources to \$63,960,243, with transfers in unchanged at \$1,241,424; an increase in general fund expenditure authorization to \$59,947,134 and increased transfers out to \$2,498,336. Further, the Resolution is amended for other fund revenues to \$43,968,445 and transfers in to \$2,563,336, expenditures to \$55,073,725 and transfers out is unchanged at \$1,306,424. These changes as presented on Exhibit I result in net City-wide appropriations of \$104,187,268.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, by the San Rafael City Council that the City Manager has the authority to transfer or reduce unrestricted reserves held in unrestricted funds for the benefit of the General Fund Emergency Reserve, provided that such action does not compromise the purpose fulfilled by the reserve(s) from which funds are

transferred or reduced. The City Council hereby authorizes any changes to previously authorized appropriations required to implement these adjustments to unrestricted reserves. The City Manager will report to the City Council the result of any actions taken under this authority.

I, ESTHER C. BEIRNE, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on Monday, the 16<sup>th</sup> of June 2014, by the following vote, to wit:

AYES: COUNCILMEMBERS: Bushey, Colin, McCullough & Mayor Phillips

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: Connolly

*Esther C. Beirne*  
ESTHER C. BEIRNE, City Clerk

# Budget Summary - Fiscal Year 2013-2014

## EXHIBIT I

	Revenues	Transfers In	Total Sources	Operating Expenditures	Capital Expenditures	Transfers Out	Total Uses
<b>Adopted Budget</b>							
General Fund	60,253,618	1,241,424	61,495,042	59,367,864	158,560	1,925,000	61,451,424
Special Revenue & Grant Funds	25,514,201	1,865,000	27,379,201	19,661,430	7,251,217	571,873	27,484,520
Debt Service Funds	125,310	-	125,310	147,209	-	-	147,209
Capital Project Funds	1,296,770	-	1,296,770	3,900	1,559,013	-	1,562,913
Enterprise (Parking)	3,672,700	-	3,672,700	3,930,309	443,150	458,031	4,831,490
Internal Service Funds	8,793,820	125,000	8,918,820	8,675,256	837,675	276,520	9,789,451
Capital Replacement Funds	2,167,028	-	2,167,028	2,813,734	-	-	2,813,734
Trust & Agency Funds	22,710	-	22,710	22,520	28,500	-	51,020
Combined Fund Totals	101,846,157	3,231,424	105,077,581	94,622,222	10,278,115	3,231,424	108,131,761
Less Interfund Transfers		(3,231,424)	(3,231,424)			(3,231,424)	(3,231,424)
Less Internal Service Charges	(9,822,554)		(9,822,554)	(9,822,554)			(9,822,554)
<b>Net Totals FY 2013-2014</b>	<b>\$ 92,023,603</b>	<b>\$ -</b>	<b>\$ 92,023,603</b>	<b>\$ 84,799,668</b>	<b>\$ 10,278,115</b>	<b>\$ -</b>	<b>\$ 95,077,783</b>
<b>Adjustment to Budget</b>							
General Fund	2,670,000	-	2,670,000	(182,679)	(113,611)	3,894	(292,396)
Special Revenue & Grant Funds	1,096,020	3,894	1,099,914	3,864,026	1,639,849	-	5,503,875
Debt Service Funds	(125,020)	-	(125,020)	(147,209)	-	-	(147,209)
Capital Project Funds	200,000	-	200,000	150	51,984	-	52,134
Enterprise (Parking)	300,000	-	300,000	952,036	149,800	-	1,101,836
Internal Service Funds	1,107,948	-	1,107,948	2,004,995	755,000	-	2,759,995
Capital Replacement Funds	(96,912)	-	(96,912)	1,066,132	-	-	1,066,132
Trust & Agency Funds	-	-	-	-	5,352	-	5,352
Combined Fund Totals	5,152,036	3,894	5,155,930	7,557,451	2,488,374	3,894	10,049,719
Less Interfund Transfers		(3,894)	(3,894)			(3,894)	(3,894)
Less Internal Service Charges	(1,011,037)		(1,011,037)	(1,011,037)			(1,011,037)
<b>Adj. Budget Net Totals FY 2013-2014</b>	<b>\$ 96,164,602</b>	<b>\$ -</b>	<b>\$ 96,164,602</b>	<b>\$ 91,346,082</b>	<b>\$ 12,766,489</b>	<b>\$ -</b>	<b>\$ 104,112,571</b>
<b>Projected Actual</b>							
General Fund	63,960,243	1,241,424	65,201,667	59,902,205	44,929	2,498,336	62,445,470
Special Revenue & Grant Funds	26,610,221	1,868,894	28,479,115	23,645,455	8,891,066	571,873	33,108,394
Debt Service Funds	290	-	290	-	-	-	-
Capital Project Funds	1,496,770	561,328	2,058,098	4,050	1,610,997	-	1,615,047
Enterprise (Parking)	3,972,700	8,114	3,980,814	4,882,345	592,950	458,031	5,933,326
Internal Service Funds	9,795,638	125,000	9,920,638	10,317,948	1,592,675	276,520	12,187,143
Capital Replacement Funds	2,070,116	-	2,070,116	3,479,866	-	-	3,479,866
Trust & Agency Funds	22,710	-	22,710	22,520	33,853	-	56,373
Combined Fund Totals	107,928,688	3,804,760	111,733,448	102,254,389	12,766,470	3,804,760	118,825,619
Less Interfund Transfers		(3,804,760)	(3,804,760)			(3,804,760)	(3,804,760)
Less Internal Service Charges	(10,833,591)		(10,833,591)	(10,833,591)			(10,833,591)
<b>Projected Net Totals FY 2013-2014</b>	<b>\$ 97,095,097</b>	<b>\$ -</b>	<b>\$ 97,095,097</b>	<b>\$ 91,420,798</b>	<b>\$ 12,766,470</b>	<b>\$ -</b>	<b>\$ 104,187,268</b>

General Fund Recap	Revenues	Transfers in	Sources	Total Expenditures	Transfers out	Uses
GF as adopted	60,253,618	1,241,424	61,495,042	59,526,424	1,925,000	61,451,424
GF adjusted	62,923,618	1,241,424	64,165,042	59,230,134	1,928,894	61,159,028
GF projected year-end	63,960,243	1,241,424	65,201,667	59,947,134	2,498,336	62,445,470

Other Funds	Revenues	Transfers in	Sources	Total Expenditures	Transfers out	Uses
Other Funds as adopted	41,592,539	1,990,000	43,582,539	45,373,913	1,306,424	46,680,337
Other Funds adjusted	44,074,575	1,993,894	46,068,469	55,716,028	1,306,424	57,022,452
Other Funds projected year-end	43,968,445	2,563,336	46,531,781	55,073,725	1,306,424	56,380,149

**RESOLUTION NO. 13748**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN  
RAFAEL APPROVING THE CITY-WIDE BUDGET FOR THE FISCAL  
YEAR 2014-2015 AND PROVIDING FOR THE APPROPRIATIONS AND  
EXPENDITURE OF ALL SUMS SET FORTH IN SAID BUDGET IN THE  
AMOUNT OF \$91,438,831**

**WHEREAS**, the City Manager has submitted to the San Rafael City Council a Preliminary Budget for the fiscal year July 1, 2014 - June 30, 2015; and

**WHEREAS**, the City Council held public meetings on goals and objectives, operational priorities, and preliminary budgets for fiscal year 2014-2015, on April 29, 2014 and May 5, 2014, where all interested persons were heard; and

**WHEREAS**, after examination, deliberation and due consideration of the preliminary and proposed budgets, the San Rafael City Council has provided direction to the City Manager; and

**WHEREAS**, it is the intention of this Council to adopt said Proposed Budget submitted by the City Manager as the approved budget for the fiscal year 2014-2015; and

**WHEREAS**, it is the intention of this Council to carry forward unspent capital projects resources funded in fiscal year 2013-2014 to complete the balance of these projects in the 2014 - 2015 fiscal year; and

**WHEREAS**, it is the intention of this Council to carry forward unspent operational funds from fiscal year 2013-2014 encumbered through approved, active purchase orders to complete the balance of these purchases in the 2014-2015 fiscal year.

**NOW, THEREFORE, BE IT RESOLVED** by the San Rafael City Council that:

1. The proposed one-year budget for the City of San Rafael for the fiscal year July 1, 2014 through June 30, 2015, is hereby adopted, totaling appropriations in the sum of \$91,438,831 of which \$85,500,018 is the Operating Budget and \$5,938,813 is the Capital and Special Projects Budget, as presented in Exhibit I – and of which \$64,422,287 is in the General Fund as presented in Exhibit II.
2. The sums of money therein set forth are hereby appropriated from the revenues of the City to the departments, functions, programs and funds therein set forth for expenditure during the fiscal year 2014 - 2015.
3. The budget provides funding for a total of 390.85 full-time equivalent, authorized positions as presented in Exhibit III.

4. The City of San Rafael will carry forward unspent operational funds from fiscal year 2013-2014 encumbered through approved, active purchase orders, and reappropriate these funds in fiscal year 2014-2015 to be used solely to pay for the remaining portion of City Council authorized expenditures in the originating funds.
5. The City of San Rafael will carry forward unspent capital project funds from fiscal year 2013-2014 and reappropriate these funds in fiscal year 2014-2015 to be used solely to pay for the remaining portion of City Council authorized expenditures for street, facility, storm drain, traffic mitigation, park and other long term capital projects started in the 2013-2014 or prior fiscal years.

I, ESTHER C. BEIRNE, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on Monday, the 16th day of June 2014, by the following vote, to wit:

AYES: COUNCILMEMBERS: Bushey, Colin, McCullough & Mayor Phillips

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: Connolly

  
\_\_\_\_\_  
ESTHER C. BEIRNE, City Clerk



CITY OF SAN RAFAEL CONSOLIDATED FUNDS									
FY 2014-2015 PROPOSED BUDGET				Total			June 30, 2015		
FUND NAME		Projected Balance	Operating and Capital Revenue	Transfers In	Total Resources	Operating and Capital Budget	Transfers to Other Funds	Total Appropriations	Projected Balance
GENERAL OPERATING FUNDS:									
001	General Fund	\$5,063,213	\$ 67,874,773	\$ 1,290,207	\$ 69,164,980	\$ 62,772,287	\$ 1,650,000	\$ 64,422,287	\$ 9,805,906
SPECIAL REVENUE & GRANT FUNDS:									
205	Storm Water Fund	529,698	785,000	-	785,000	920,320	-	920,320	394,378
206	Gas Tax	3,919,370	3,000,363	-	3,000,363	3,592,963	400,000	3,992,963	2,926,770
207	Development Services	396,797	2,300	-	2,300	36,000	-	36,000	363,097
208	Child Care	60,786	3,624,932	-	3,624,932	3,608,250	-	3,608,250	77,468
210	Paramedic/EMS	702,190	6,526,377	-	6,526,377	6,596,635	-	6,596,635	631,932
217	State Lands Fund	509,129	30,800	-	30,800	-	-	-	539,929
218	General Plan Special Revenue Fund	726,320	278,480	-	278,480	82,000	-	82,000	922,800
222	Recreation Revolving	149,190	2,699,642	1,300,000	3,999,642	3,878,269	-	3,878,269	270,563
223	Household Haz. Waste Fund	210,994	146,948	-	146,948	145,468	-	145,468	212,474
227	Sewer Maintenance	31,144	251,057	-	251,057	-	251,057	251,057	31,144
228	Hazardous Materials Fund	56,357	-	-	-	1,000	-	1,000	55,357
234	Pt. San Pedro Maintenance Portion	181,838	88,840	-	88,840	86,000	-	86,000	184,678
235	Baypoint Lagoons L & L District	214,847	25,780	-	25,780	5,386	-	5,386	235,241
236	Loch Lomond Assessment District	522,172	16,410	-	16,410	37,836	-	37,836	500,746
240	Parkland Dedication	476,404	1,200	-	1,200	-	-	-	477,604
241	Measure A Open Space	132,213	350,210	-	350,210	470,030	-	470,030	12,393
495	Low and moderate Income Housing Fund	577,954	70,250	-	70,250	305,000	-	305,000	343,204
LIBRARY AND FALKIRK:									
214	Library Revolving	27,619	27,578	-	27,578	30,000	-	30,000	25,197
215	Library Special Assessment Fund	605,750	875,850	-	875,850	875,648	-	875,648	605,952
	Library Fund	\$ 633,369	\$ 903,428	\$ -	\$ 903,428	\$ 905,648	\$ -	\$ 905,648	\$ 631,149
PUBLIC SAFETY:									
200	Abandoned Vehicle	27,798	70,000	70,000	140,000	165,592	-	165,592	2,206
202	Asset Seizure	2,787	-	-	-	-	-	-	2,787
204	Crime Prevention	8,368	-	-	-	5,000	-	5,000	3,368
230	Youth Services - Police	64,714	-	-	-	16,000	-	16,000	48,714
	Public Safety Fund	\$ 103,667	\$ 70,000	\$ 70,000	\$ 140,000	\$ 186,592	\$ -	\$ 186,592	\$ 57,075
TRAFFIC AND HOUSING:									
243	Housing in lieu-City San Rafael	1,216,514	32,000	-	32,000	-	-	-	1,248,514
245	Housing in lieu	343,204	400	-	400	-	-	-	343,604
246	East S.R. Traffic Mitigation	10,520,997	18,000	-	18,000	-	-	-	10,538,997
	Traffic & Housing Mitigation Funds	\$ 12,080,715	\$ 50,400	\$ -	\$ 50,400	\$ -	\$ -	\$ -	\$ 12,131,115
GRANT:									
201	A.D.A.. Access Projects	20,248	300,000	-	300,000	300,000	-	300,000	20,248
211	Falkirk Revolving Fund	27,063	-	-	-	-	-	-	27,063
260	Pickleweed Childcare Grant	48,732	168,154	100,000	268,154	258,621	-	258,621	58,265
276	Falkirk Other Grants	11,011	-	-	-	-	-	-	11,011
281	Public Safety Grants	353,110	100,380	-	100,380	100,000	-	100,000	353,490
283	Grant-Other	610,291	330,400	250,000	580,400	682,600	-	682,600	508,091
	Grant Funds	\$ 1,070,455	\$ 898,934	\$ 350,000	\$ 1,248,934	\$ 1,341,221	\$ -	\$ 1,341,221	\$ 978,168
SPECIAL REVENUE & GRANT TOTAL									
		\$ 23,285,609	\$ 19,821,351	\$ 1,720,000	\$ 21,541,351	\$ 22,198,618	\$ 651,057	\$ 22,849,675	\$ 21,977,285

CITY OF SAN RAFAEL  
CONSOLIDATED FUNDS

FY 2014-2015 PROPOSED BUDGET																
	July 1, 2014		Operating and Capital Revenue		Transfers In		Total Resources		Operating and Capital Budget		Transfers to Other Funds		Total Appropriations		June 30, 2015 Projected Balance	
FUND NAME	Projected Balance															
<b>DEBT SERVICE FUNDS:</b>																
302 Financing Authority 1997 Bonds	146,088	200	-	-	200	-	-	-	-	-	-	-	-	-	-	146,288
304 Peacock Gap Assessment District	2,874	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,874
306 Mariposa Assessment District	16,574	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,574
<b>DEBT SERVICE TOTALS</b>	<b>\$ 165,536</b>	<b>\$ 200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 165,736</b>
<b>CAPITAL PROJECT FUNDS:</b>																
401 Capital Improvement	1,643,593	1,500	-	-	1,500	-	-	1,500	-	30,000	-	-	-	30,000	-	1,615,093
405 Open Space Acquisition	127,007	200	-	-	200	-	-	200	-	3,900	-	-	-	3,900	-	123,307
406 Bedroom Tax	22,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,000
407 Parks Capital Projects	23,111	7,000	-	-	7,000	-	-	7,000	-	500	-	-	-	500	-	29,611
Var. Assessment District Projects	300,027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300,027
<b>CAPITAL PROJECT TOTALS</b>	<b>\$ 2,115,738</b>	<b>\$ 8,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,700</b>	<b>\$ -</b>	<b>\$ 34,400</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,400</b>	<b>\$ -</b>	<b>\$ 2,090,038</b>
<b>ENTERPRISE FUNDS:</b>																
501 Parking Services	\$444,581	4,781,000	-	-	4,781,000	-	-	4,781,000	-	3,848,915	-	432,630	-	4,281,545	-	944,036
<b>ENTERPRISE FUND TOTALS</b>	<b>\$ 444,581</b>	<b>\$ 4,781,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,781,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,781,000</b>	<b>\$ -</b>	<b>\$ 3,848,915</b>	<b>\$ -</b>	<b>\$ 432,630</b>	<b>\$ -</b>	<b>\$ 4,281,545</b>	<b>\$ -</b>	<b>\$ 944,036</b>
<b>INTERNAL SERVICE FUNDS:</b>																
601 P.C. Replacement	464,663	1,179,172	-	-	1,179,172	-	-	1,179,172	-	1,259,407	-	-	-	1,259,407	-	384,428
602 Fire Equipment Replacement	565,838	189,790	-	-	189,790	-	-	189,790	-	52,600	-	-	-	52,600	-	703,028
603 Building Improvement	602,302	501,200	-	-	501,200	-	-	501,200	-	997,500	-	-	-	997,500	-	106,002
604 Employee Benefits	645,558	702,600	-	-	702,600	-	-	702,600	-	704,304	-	-	-	704,304	-	643,854
605 Liability Insurance	208,836	1,318,210	-	-	1,318,210	-	-	1,318,210	-	1,097,061	-	-	-	1,097,061	-	429,985
606 Workers Compensation Insurance	600,001	1,887,817	-	-	1,887,817	-	-	1,887,817	-	2,129,008	-	-	-	2,129,008	-	358,810
607 Dental Insurance	138,192	502,058	-	-	502,058	-	-	502,058	-	501,600	-	-	-	501,600	-	138,650
611 Employee Retirement	1,906,600	352,600	-	-	352,600	-	-	352,600	-	4,000	-	276,520	-	280,520	-	1,978,680
612 Retiree Health Benefit OPEB	168,760	3,327,701	-	-	3,327,701	-	-	3,327,701	-	3,306,000	-	-	-	3,306,000	-	190,461
<b>INTERNAL SERVICE TOTALS</b>	<b>\$ 5,300,750</b>	<b>\$ 9,961,148</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,961,148</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,961,148</b>	<b>\$ -</b>	<b>\$ 10,051,480</b>	<b>\$ -</b>	<b>\$ 276,520</b>	<b>\$ -</b>	<b>\$ 10,328,000</b>	<b>\$ -</b>	<b>\$ 4,933,898</b>
<b>CAPITAL REPLACEMENT FUNDS:</b>																
600 Vehicle Replacement	\$2,199,415	1,054,682	-	-	1,054,682	-	-	1,054,682	-	2,406,000	-	-	-	2,406,000	-	848,097
608 Radio Replacement	\$591,684	649,060	-	-	649,060	-	-	649,060	-	646,191	-	-	-	646,191	-	594,553
609 Telephone	\$240,000	435,302	-	-	435,302	-	-	435,302	-	441,040	-	-	-	441,040	-	234,262
<b>CAPITAL PROJECT TOTALS:</b>	<b>\$ 3,031,099</b>	<b>\$ 2,139,044</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,139,044</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,139,044</b>	<b>\$ -</b>	<b>\$ 3,493,231</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,493,231</b>	<b>\$ -</b>	<b>\$ 1,676,912</b>
<b>TRUST AND AGENCY FUNDS:</b>																
710 Business Improvement District	\$4,318	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,318
712 Library Fiduciary	\$7,745	-	-	-	-	-	-	-	-	7,745	-	-	-	7,745	-	-
<b>TRUST &amp; AGENCY TOTALS</b>	<b>\$ 12,063</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,745</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,745</b>	<b>\$ -</b>	<b>\$ 4,318</b>
<b>COMBINED FUNDS TOTALS</b>																
	<b>\$ 39,418,589</b>	<b>\$ 104,586,216</b>	<b>\$ 3,010,207</b>	<b>\$ 3,010,207</b>	<b>\$ 107,596,423</b>	<b>\$ 102,406,676</b>	<b>\$ 102,406,676</b>	<b>\$ 3,010,207</b>	<b>\$ 3,010,207</b>	<b>\$ 105,416,883</b>	<b>\$ 105,416,883</b>	<b>\$ 105,416,883</b>	<b>\$ 105,416,883</b>	<b>\$ 41,598,129</b>	<b>\$ 41,598,129</b>	<b>\$ 41,598,129</b>
Less Interfund Transfers	-	-	(3,010,207)	(3,010,207)	(3,010,207)	(10,967,845)	(10,967,845)	(3,010,207)	(3,010,207)	(3,010,207)	(3,010,207)	(3,010,207)	(3,010,207)	(3,010,207)	(3,010,207)	(3,010,207)
Less Internal Service Charges	-	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)	(10,967,845)
<b>NET TOTALS FY 2014-2015</b>	<b>\$ 39,418,589</b>	<b>\$ 93,618,371</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 93,618,371</b>	<b>\$ 91,438,831</b>	<b>\$ 91,438,831</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,438,831</b>	<b>\$ 91,438,831</b>	<b>\$ 91,438,831</b>	<b>\$ 91,438,831</b>	<b>\$ 41,598,129</b>	<b>\$ 41,598,129</b>	<b>\$ 41,598,129</b>

**GENERAL FUND  
PROPOSED BUDGET FY 2014-2015**

EXHIBIT II

**REVENUES & OTHER OPERATIONAL SOURCES**

**Taxes**

Property Tax and related	\$ 15,773,000
Sales Tax / Triple Flip	20,423,900
Sales Tax -Measure E	11,201,000
Franchise Tax	3,307,739
Business Tax	2,639,761
Transient Occupancy Tax	2,421,000

**Other Agencies**

CSA #19 Fire Service	1,600,000
VLF Backfill	4,591,000
Other Agencies (Prop 172, Owner Prop Tax, State Mandate, Other agencies)	777,712

**Other Revenues**

Permits & Licenses (building, electrical, encroachment, use, alarm)	1,883,000
Fine & Forfeitures (traffic, vehicle, etc.)	463,368
Interest & Rents (investment earnings, rents, etc.)	268,994
Charges for Services (includes dev't fees and plan review)	1,977,000
Other Revenue (damage reimbursements, misc income)	547,299

**Sub-total: Revenues** **\$ 67,874,773**

**TRANSFERS IN**

from SRSD Sewer Maint Fund - Admin. cost	251,057
from Parking Services Fund - Admin. cost	362,630
from Gas Tax Fund - Street Division operating	400,000
from Employee Retirement Fund - POB debt payment	276,520

**Sub-total: Transfers In** **\$ 1,290,207**

**TOTAL-OPERATIONAL SOURCES** **\$ 69,164,980**

**EXPENDITURES AND OTHER OPERATIONAL USES**

**Expenditures by Department**

Finance	1,965,332
Non-Departmental	2,554,964
City Manager/City Council	2,123,970
City Clerk	483,696
Mgt Serv: Adm,IT,HR,Pkg.Emg	1,609,403
City Attorney	805,763
Community Development	3,223,740
Police	20,878,083
Fire	15,863,538
Public Works	10,452,519
Library	2,811,279

**Sub-total: Expenditures** **\$ 62,772,287**

**TRANSFERS OUT**

to Childcare Fund - Operating support	100,000
to Recreation Fund - Operating support	1,300,000
to Special Revenue Fund - Massage enforcement	150,000
to Special Revenue Fund - Homeless Initiative Project	100,000

**Sub-total: Transfers Out** **\$ 1,650,000**

**TOTAL-OPERATIONAL USES** **\$ 64,422,287**

**NET OPERATIONAL RESULTS** **\$ 4,742,693**

**CITY OF SAN RAFAEL  
Authorized Positions**

<u>Departments</u>	<u>Revised 2007-2008</u>	<u>Revised 2008-2009</u>	<u>Revised 2009-2010</u>	<u>Revised 2010-2011</u>	<u>Revised 2011-2012</u>	<u>Revised 2012-2013</u>	<u>Revised 2013-2014</u>	<u>Changes 2014-2015</u>	<u>Total Proposed 2014-2015</u>	<u>% of Total 2014-2015</u>
<b><u>Regular</u></b>										
Community Development	29.50	27.50	21.75	20.75	18.25	18.25	17.80		17.80	4.6%
Community Services	64.20	64.20	60.73	61.16	59.15	58.35	58.78	0.53 (1)	59.31	15.4%
City Attorney	3.50	3.50	3.50	3.50	3.50	3.50	3.50		3.50	0.9%
City Clerk	3.00	2.00	2.00	2.00	2.00	2.00	2.00		2.00	0.5%
City Manager/Council	8.70	8.70	7.70	7.70	11.50	11.50	12.56	-	12.56	3.3%
Economic Development	5.00	5.00	5.00	5.00	-	-	-		-	0.0%
Finance	11.00	11.00	10.00	10.00	10.00	10.00	10.00	1.00 (2)	11.00	2.9%
Fire	81.00	77.00	75.00	76.00	75.00	76.00	79.00		79.00	20.6%
Library	20.22	21.97	20.61	26.68	21.74	21.74	23.41		23.41	6.1%
Management Services	33.68	33.68	31.68	31.15	28.23	26.23	26.33		26.33	6.9%
Police	105.00	104.00	90.00	90.00	87.00	87.00	87.00		87.00	22.7%
Public Works	78.80	75.80	60.80	62.80	62.00	60.00	61.00	1.00 (3)	62.00	16.1%
<b>Sub - Total Regular Positions</b>	<b>443.60</b>	<b>434.35</b>	<b>388.77</b>	<b>396.74</b>	<b>378.37</b>	<b>374.57</b>	<b>381.38</b>	<b>2.53</b>	<b>383.91</b>	<b>100.0%</b>
<b>Change from previous year</b>		<b>(9.25)</b>	<b>(45.58)</b>	<b>7.97</b>	<b>(18.37)</b>	<b>(3.80)</b>	<b>5.71</b>		<b>2.53</b>	
<b><u>Fixed Term</u></b>										
City Manager/Council								1.00 (4)	1.00	
Community Services				0.67	0.67	0.67	1.47		1.47	
Economic Development		1.00	1.00	1.00						
Finance						0.72	0.72		0.72	
Fire								1.75 (5)	1.75	
Library	1.48	2.23	1.48	1.31						
Police							2.00		2.00	
<b>Sub - Total Fixed Term Positions</b>	<b>1.48</b>	<b>3.23</b>	<b>3.15</b>	<b>2.98</b>	<b>0.67</b>	<b>1.39</b>	<b>4.19</b>	<b>2.75</b>	<b>6.94</b>	
<b>Total Authorized Positions</b>	<b>445.08</b>	<b>437.58</b>	<b>391.92</b>	<b>399.72</b>	<b>379.04</b>	<b>375.96</b>	<b>385.57</b>	<b>5.28</b>	<b>390.85</b>	

## General Notes:

The above-authorized positions are presented as full-time equivalent employees (FTE's) based on various workweek hours as negotiated in employee agreements. The totals by department reflect a combination of full-time or permanent part-time, or fixed term positions that are entitled to all or pro-rated benefits in accordance with the negotiated agreements for employees or individuals who are under contract. The totals reflected above, or in the detail department program sections, do not include temporary or seasonal employees that are utilized for short-term or specific reasons during the year.

**2014-2015 Changes (from above)**

- (1) Recreation Coordinator (+0.53) - approved on July 1, 2013
- (2) Management Analyst (+1.00)
- (3) Assistant Civil Engineer (+2.00) / Associate Engineer (-1.00)
- (4) Admin Assistant to City Manager -Temporary Overhire (+1.00)
- (5) Vegetation Management Specialist (1.00) / Accounting Assistant (+0.75)

CITY OF SAN RAFAEL

**ROUTING SLIP / APPROVAL FORM**

INSTRUCTIONS: USE THIS FORM WITH EACH SUBMITTAL OF A CONTRACT, AGREEMENT,  
ORDINANCE OR RESOLUTION BEFORE APPROVAL BY COUNCIL / AGENCY.

SRRA / SRCC AGENDA ITEM NO. \_\_\_\_\_

DATE OF MEETING: June 16, 2014

FROM: Mark Moses

DEPARTMENT: Finance

DATE: June 11, 2014

TITLE OF DOCUMENT: CITY-WIDE BUDGET FOR FISCAL YEAR 2014-2015

1) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL ADOPTING  
AMENDMENTS TO THE CITY-WIDE BUDGET FOR FISCAL YEAR 2013-2014

2) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL APPROVING THE  
CITY-WIDE BUDGET FOR THE FISCAL YEAR 2014-2015 AND PROVIDING FOR THE  
APPROPRIATIONS AND EXPENDITURE OF ALL SUMS SET FORTH IN SAID BUDGET IN THE  
AMOUNT OF \$91,438,831

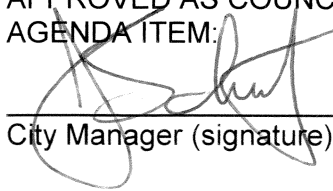


\_\_\_\_\_  
Department Head (signature)

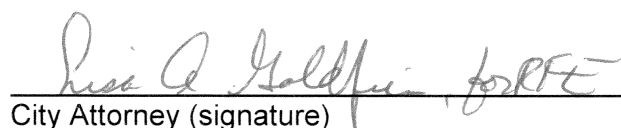
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(LOWER HALF OF FORM FOR APPROVALS ONLY)

APPROVED AS COUNCIL / AGENCY  
AGENDA ITEM:

  
\_\_\_\_\_  
City Manager (signature)

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney (signature)

\_\_\_\_\_  
NOT APPROVED

REMARKS:

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