



OFFICE OF THE  
COUNTY ADMINISTRATOR

May 2, 2023



Matthew H. Hymel  
COUNTY ADMINISTRATOR

Marin County Board of Supervisors  
3501 Civic Center Drive  
San Rafael, CA 94903

Daniel Eilerman  
ASSISTANT COUNTY  
ADMINISTRATOR

**SUBJECT:** Allocation of Unassigned Year-End Fund Balance

Dear Supervisors:

**RECOMMENDATION:** Approve allocation of \$14,508,962 from FY 2021-22 unassigned year-end fund balance as detailed in staff report.

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**Overview**

Marin County is projecting a balanced budget over the next few years because we have practiced sound financial discipline by not using one-time revenues for ongoing expenses. Our policy has been to allocate one-time funds for solely for one-time purposes.

**\$14.5 million in one-time resources are available.** With the completion of our prior year financial audit, there is approximately \$14.5 million in additional General Fund unassigned fund balance that is available to allocate by your Board. This balance is largely due to higher-than-expected salary savings and excess Education Resource Augmentation Funds (ERAF). This amount is in addition to the one-time funds that are expected to be available for allocations in the upcoming FY 2023-24 budget.

**Contribution to the Affordable Housing Trust (\$7,254,481)**

Increasing affordable housing opportunities in our County is one of your Board's top priorities. Your Board approved a \$5 million contribution to the Affordable Housing Trust in this year's budget and has supported the proposed a financial policy to contribute \$5 million per year to the Affordable Housing Trust over the next 5 years. This fund supports both the construction and preservation of affordable housing in our County. Approval of these additional one-time funds will allow us to better meet the expected increase in funding necessary to implement our recently adopted Housing Element.

**Reserve for Civic Center Campus Facility Improvements (\$7,254,481)**

The Civic Center Campus was designed by the visionary American architect, Frank Lloyd Wright, and is listed in the National Register of Historic Places, as well as a California Historic Landmark. The campus facilities (Administration Building, Hall of Justice, and Veterans Memorial Auditorium, and the associated landscape and parking areas) are now 50 to 60 years old and have significant deferred maintenance.

Addressing deferred maintenance at all County facilities is one of your Board's top priorities. With approximately \$100 million in deferred maintenance of our Civic Center Campus, your Board approved a \$5 million reserve for Civic Center Facilities Improvements as part of the current year budget. Approval of an additional \$7.25 million to this reserve will help support an accelerated maintenance and building modernization program over the next 3 years. We anticipate that these funds will be used to support a \$20–\$30 million capital improvement program in the FY 2023-24 Proposed Budget.

**Fiscal Impact**

If approved by your Board, these allocations would be placed in the Housing trust fund or on reserve. Future use of these funds will be subject to future Board approval.

Approval will increase Non-Departmental General Fund expenditure appropriations by \$7,254,481 for increased contributions to the Affordable Housing Trust Fund (2070). The current balance in the Affordable Housing Trust, excluding long-term receivables, is \$4.8 million, and will be increased to \$12.1 million with approval of this action.

Additionally, approval will increase the General Fund Civic Center Campus Improvements reserve (900871) by \$7,254,481 for future Civic Center Campus Improvements. The current balance in the Civic Center Improvements reserve is \$5 million and will be increased to \$12.25 million through this action.

Please let me know if you have any questions or concerns.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Matthew Hymel', with a long horizontal flourish extending to the right.

Matthew Hymel  
County Administrator