



March, 22, 2016

Matthew H. Hymel
COUNTY ADMINISTRATOR

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Marin County Board of Supervisors
3501 Civic Center Drive
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Subject: Allocation of Unassigned Year-End Fund Balance

Dear Supervisors,

Recommendation: Authorize allocation of additional \$3,215,908 from FY 2014-15 unassigned year-end fund balance for specific one-time allocations as detailed in staff report

Overview

Marin County has reached a balanced budget 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 one-time purposes.

Our final FY 2014-15 General Fund undesignated fund balance is approximately \$3.2 million more than planned for the current year budget. Therefore, these one-time resources are available to your Board for allocation. Consistent with your past policy direction, I am recommending that your Board allocate these one-time funds for the following one-time purposes:

Road and Bridge Program (\$1.6 million)

Consistent with your Board's policy to dedicate 50% of any year-end balance above \$20 million toward the road and bridge capital program, I am recommending that we allocate 50%, or approximately \$1.6 million, to our Road and Bridge Capital program. This would bring the County's investment over a 7-year period to approximately \$40.85 million. These funds would be used to support our work program for road and bridge projects.

One-time Reserves (\$1.6 million)

I am recommending that the remaining \$1.6 million be placed in the one-time reserve so that these funds are reserved for one-time, high priority projects. This would bring the balance of the one-time reserve from \$8.5 million to approximately \$10.1 million. Any appropriation of these funds will require future approval of your Board.

Fiscal Impact

The net fiscal impact of these actions will be to transfer \$1,607,954 from the General Fund (Fund 10000) to the Road & Bridge Fund (Fund 27020), including appropriation of the \$1,607,954 within Fund 27020. In addition, staff will work with the Department of Finance to increase General Fund Designation No. 3121250 (Designation for 1-time Capital Projects) by the remaining \$1,607,954 of prior year fund balance.

Your Board's one-time reserves in Account 3121250 will increase from \$8,533,733 to \$10,141,687. Any appropriation of these funds will require future approval of your Board.

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

Sincerely,

A handwritten signature in black ink, appearing to read "M. Hymel", written in a cursive style.

Matthew H. Hymel
County Administrator

FMBB Doc. 100024340