



THE CITY OF
NOVATO
CALIFORNIA

922 Machin Avenue
Novato, CA 94945
415/899-8900
FAX 415/899-8213
www.novato.org

Mayor
Denise Athas
Mayor Pro Tem
Josh Fryday
Councilmembers
Pam Drew
Pat Eklund
Eric Lucan

City Manager
Regan M. Candelario

**NOVATO CITY COUNCIL SPECIAL MEETING
to be held at**

**MARIN VALLEY MOBILE COUNTRY CLUB
100 MARIN VALLEY DRIVE**

**June 5, 2017
6:00 PM**

AGENDA

A. CALL TO ORDER

B. APPROVAL OF FINAL AGENDA

6:03 P.M. *(Time is approximate.)*

C. PUBLIC COMMENTS

This comment session is for items not on the agenda or for items listed on the Consent Calendar. See agenda cover page for information about Public Comment periods and associated protocol.

D. CONSENT CALENDAR

1. APPROVE MINUTES FROM THE MEETING OF FEBRUARY 14, 2017

6:10 P.M. *(Time is approximate.)*

E. GENERAL BUSINESS

2. REVIEW, ACCEPT INPUT, AND APPROVE THE FY 17/18 BUDGET – OPERATING AND CAPITAL FOR MVMCC

Consider reviewing, accepting input, and taking action to approve the FY 17/18 Operating and Capital Budget for the Marin Valley Mobile Country Club.

7:00 P.M. *(Time is approximate.)*

F. REGULAR REPORTS

- 3. **Park Management Verbal Update**
- 4. **PAC Update**

G. BOARD/STAFF COMMENTS

- 5. **City Staff Verbal Updates**
- 6. **Determination of next meeting date**

7:30 P.M. *(Time is approximate.)*

H. ADJOURNMENT

AFFIDAVIT OF POSTING

I, Claudia Laughter, certify that on June 1, 2017, I caused to be posted the agenda of the June 5, 2017 special meeting of the City Council of the City of Novato, California, on the City Community Service Board in the Police Department and on the City's website at www.novato.org. In addition, a copy of the agenda and packet was delivered to the MVMCC Clubhouse for resident review and emailed to the PAC Webmaster for posting on the MVMCC web site.

/Claudia Laughter /
Claudia Laughter, City Clerk

DRAFT

MINUTES OF THE CITY COUNCIL/MVMCC JOINT MEETING

**MARIN VALLEY MOBILE COUNTRY CLUB
100 MARIN VALLEY DRIVE, NOVATO**

FEBRUARY 14, 2017

6:30pm



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The City Council Regular Meeting was called to order at 6:30 p.m. on Tuesday, February 14, 2017.

A. CONVENE, PLEDGE OF ALLEGIANCE, AND ROLL CALL

Present: Mayor Athas, Mayor Pro Tem Fryday, Councilmember Drew, Councilmember Eklund, Councilmember Lucan

Roll was called with five of five Councilmembers present, creating a quorum.

Staff Present: City Manager Regan Candelario, Assistant City Attorney Veronica Nebb, City Clerk Claudia Laughter, and Finance Manager Brian Cochran

**B. APPROVAL OF FINAL AGENDA
M/S/C EKLUND/LUCAN AYES: 5 NAYS: 0**

C. PUBLIC COMMENTS – Mayor Athas called for Public Comments of which there were none.

D. CONSENT CALENDAR

- 1. Adopt meeting minutes of June 13, 2016** – The Council adopted the minutes.
- 2. Marin Valley Mobile Country Club Financial Update – May 2016 through December 2016** – The Council received the MVMCC Finance Report of May 2016-December 2016.

M/S/C LUCAN/DREW AYES: 5 NAYS: 0

E. GENERAL BUSINESS

- 3. CONSIDERATION OF A PROPOSED MARIN VALLEY MOBILE COUNTRY CLUB LOT RENT ASSISTANCE PROGRAM** – Finance Manager Brian Cochran reviewed the proposed program that would partner with Hello Housing to assist low-income residents with rental payments to avoid displacement. The program would be managed through Hello Housing and qualified residents can receive up to \$150/month off their rent. The program has an annual rent deferral amount of \$22,000 for the entirety of the park. The program would require annual recertification for eligibility. Councilmember Eklund asked what would happen to the program if it received a large number of applicants. Mr. Cochran stated the funding amount would be reevaluated. Ms. Nebb stated that a similar program had been set up with Hello Housing for an affordable home ownership program in Hamilton which staff sees as a valuable program.

Mayor Pro Tem Fryday asked if other cities were implementing similar programs. Mr. Cochran stated there are but not with mobile homes and the model for this program was a rent subsidy program in Nevada. Councilmember Drew asked if there was any accrual of interest with the deferrals. Mr. Cochran stated there was no interest proposed.

PUBLIC COMMENT:

1. Martina Koecvritz – Reasonable Help
2. Janice Dodgshon – Stated her question had been answered.
3. David King – Suggested Al Fry to run a trial program
4. Anica Manning – Supported trial run program
5. John J. Shelfer – Supported trial run program
6. Larry Cohen – Does not support administrative costs
7. John Hansen – Support the plan but not administrative costs
8. Michael Hagerty – Support the idea but not administrative costs
9. Anita Flantz – Support program and outside administration
10. Martha Cray – Concern over 15 application cap
11. Anica Manning – Question on cumulative shortfall and infrastructure repair

Ms. Nebb reported that staff were reviewing the humanitarian fund and the process for application. Staff is also recommending an outside administrator due to complicated formulaic calculations and process management required. Councilmember Lucan asked if this program was similar to a reverse mortgage and Ms. Nebb stated it was with reverse mortgages not available on mobile homes. Mayor Pro Tem Fryday asked if the humanitarian fund was administered perpetually. Ms. Nebb stated it was set up for temporary emergencies for unanticipated costs and can be applied for once a year. Mayor Pro Tem Fryday asked how the number of participants was determined. Ms. Nebb stated it was a percentage basis recommended by Hello Housing. Councilmember Drew asked if there was a rule between administrative costs for firms like Hello Housing and the amount of funds awarded. Ms. Nebb stated there was no industry standard at this point but in coordinating with firms on the Hamilton project, the cost benefit of amount of services from Hello was the best choice. Councilmember Eklund asked if the humanitarian fund would continue if this program was accepted. Mr. Cochran stated they both would still go forward subject to reauthorization every year. Councilmember Eklund requested more information on the humanitarian fund and its administration be sent to Council for review.

MOTION TO SPLIT ADMINISTRATION COSTS BETWEEN SENIOR AFFORDABLE HOUSING FUND IN THE CITY AND THE MARIN VALLEY MOBILE COUNTRY CLUB AND FOR STAFF TO CONFIRM OTHER VENDORS FOR LOWER ADMINISTRATIVE MANAGEMENT COSTS

M/S/C EKLUND/LUCAN AYES: 5 NAYS: 0

- 4. RENT DIFFERENTIAL ANALYSIS** – Mr. Cochran introduced the item as instances where two similarly situated lots pay, in some instances, significantly different rents and the advent of rent control in 1997 which locked a fixed percentage on all rental increases. Since November 2015, Staff have been reviewing analysis and trying to determine any solutions and reviewed approximately 30-35 lots that were significantly out of line with neighbors with no clear indication for why. Staff reviewed the existing rent control ordinance and percentage reductions to apply and analysis also identified many more negative factors and different fairness issues to consider. Ms. Nebb stated that the Council has been judicious in rent increases within the park in the 20 years the City has owned it and could have raised the CIP but wanted to retain the affordability of the park.

Councilmember Drew stated this is a hard issue to be fair to everyone and that maybe to leave the situation as is. Ms. Nebb stated that the City is constrained by the rent control ordinance which requires rents to be raised uniformly across the board and also requires to raise rents by a percentage of CPI basis. The ordinance can be changed but the changes will affect every mobile home park in the City which would have unintentional consequences in other parks. Councilmember Eklund asked how many were significantly lower. Mr. Cochran stated at least 20 significantly below. Councilmember Eklund asked if when a coach sells, can the new owner's rent be increased. Ms. Nebb stated the rent control ordinance is drafted to protect all mobile owners city-wide and vacancy only if a coach without an owner leaves the park which has happened once in 20 years. That one unit creates a vacancy and could increase the rent.

PUBLIC COMMENT:

1. Margie Siegfried – Against rent differentials
2. Owen Haxton – Rent control protects tenants and owners
3. Dorallen Davis – Support even rents for all
4. Jay Shelfer – Requested rent adjustment for vacancies
5. John Hansen – Requested information if Los Robles was for-profit ownership
6. Ray Schneider – Lot size and view considerations at purchase
7. Erma Wheatley – Change rent control ordinance
8. Martina Koevcritz - In favor of reasonable adjustments

Ms. Nebb stated that in the percentage versus flat rent increase, the Council can change the rent control ordinance but it will change every mobile home park in the City but that staff is looking to serve all the interests including those not protected.

Councilmember Drew asked about rents prior to rent control in 1997. Ms. Nebb stated prior when a resident sold, the owner typically would raise the rent more than was typical of overall park rent increases and staff saw large jumps in rent. The current ordinance prevents rent

increases when a unit sells. Councilmember Eklund requested staff return with cost information for Options 1, 2, and 3 before a decision would be made. Ms. Nebb stated there was an extensive amount of staff time on determinations for Option1, staff stated the costs of Option 2. Without full analysis and committing the staff time to it, the options being reviewed were costed out at \$30,000 range which would likely be in breach and debt service wouldn't be covered. Mayor Pro Tem Fryday asked if there was anything in the analysis that suggested the City acted unfairly or was it a market situation. Ms. Nebb stated it was an inherited problem and that rent discrepancies existed when the City purchased the park.

**MOTION TO RECEIVE THE REPORT AS-IS
M/S LUCAN/DREW**

Councilmember Drew stated that making adjustments would create other inequities and that the problem was inherited and the City should not intentionally exacerbate it. Councilmember Eklund stated she would vote against as she would like to look at Option 2 in greater detail. Mayor Pro Tem Fryday stated that the Council was providing tools such as rent assistance approved earlier in the meeting and that this was not a closed conversation and hoped it would continue. Mayor Athas stated she was wanted to also continue the conversation but would not support the motion.

Councilmember Eklund called for a Point of Order if no action would mean the conversation would not continue. Ms. Nebb stated no action will mean Staff will not do any additional analysis impact work but will continue to hear residents and bring forward new ideas.

M/S/C LUCAN/DREW AYES: 3 (LUCAN, DREW, FRYDAY) NAYS: 2 (EKLUND, ATHAS)

- 5. BRUSH REMOVAL BUDGET AMENDMENT REQUEST** – Mr. Cochran reviewed the existing Fire Safe Program and details of the recent fire that has jumpstarted additional efforts from residents and Staff within the park and the costs associated it them. Ms. Nebb stated Staff were working in conjunction with the Fire District who suggested pruning cleanup work. Councilmember Eklund asked for clarification that no trees were being removed. Ms. Nebb stated some dead trees in common areas were removed. Matt Greenburg pointed out it was a separate line item specifically for pruning/removal on common area or lots in the yearly budget.

PUBLIC COMMENT:

1. Jay Shelfer – Question was covered in the presentation
2. Bill Davis – Firewise Community – support additional funding
3. John Hansen – Support additional funding
4. Ray Schneider – Support additional funding; review extending natural gas pipes

5. Linda Redondo – Rain erosion concerns

Mr. Cochran addressed the concerns about the slide and stated there is analysis from engineering and it will be addressed in the capital improvement budget with \$450,000 annual in Year 3.

MOTION TO APPROVE BRUSH REMOVAL BUDGET AMENDMENT REQUEST FOR FY 2016/17 IN THE AMOUNT OF \$190,000

M/S/C EKLUND/FRYDAY AYES: 5 NAYS: 0

- 6. TRANSFER OF MARIN VALLEY MOBILE COUNTRY CLUB FUNDS FOR REIMBURSEMENT OF CITY GENERAL FUND ADMINISTRATIVE COSTS** – Mr. Cochran reviewed the fund transfer history that the \$25,000 was for administrative and legal costs. Since the bond refinancing, Staff is requesting reimbursement for the last four fiscal years. Costs cover the bond refinance, property condition report in 2012, ongoing utility master plan work, rule and policy changes, litigation claims work, long-term ownership question, PG&E projects, pathway refinishing, individual on-off projects with PG&E, parks emergency plan, and in FY 2015/16 rent differential analysis. Specific capital project include engineering work on ADA clubhouse improvements which will be transferred from the Park’s long-term reserve funds.

Councilmember Lucan requested correction of \$26,800 for FY 2015/16 in the report. Mayor Pro Tem Fryday asked about concerns from the community on how staff resources have been allocated. Mr. Cochran stated costs come from staff and legal work on the complexities of refinance, reactional projects, and the PG&E infrastructure pilot program which included legal and engineering time. Councilmember Drew stated that in FY 14/15 the \$35,000 in special projects were benefiting health and safety. Ms. Nebb stated that administrative costs of \$25,000 will continue with potential increases as it doesn’t take CPI into account and the rate has been left flat for 20 years. Councilmember Eklund asked measures were being taken so the fees would be transferred on a regular basis. Mr. Cochran stated a six-month check-in and working with the PAC committee. Mayor Athas asked if the transfer would impact their account. Mr. Cochran stated the overall fund has \$4.4 million in reserves.

PUBLIC COMMENT:

1. David King – Support monthly/quarterly meeting
2. Larry Cohen – Deferred comments
3. Jay Shelfer – Support quarterly or half-year reports
4. John Hansen – CERT Programs recommendations
5. Stephen Plocher – Question on reimbursement methodology
6. John Feld – Concerns over legal costs
7. Martina Koevritz – Concerns over legal costs

Mr. Cochran addressed questions and concerns brought up during public comment. He stated the figures on the finance spreadsheet are rounded and that Staff time, with the exception of Legal, is not parceled into tiny increments on projects. Ms. Nebb clarified that when legal addresses work relative to the park, it also takes the needs of the park and residents into account.

**MOTION TO TRANSFER THE FUNDS FROM MARIN VALLEY HOME COUNTRY CLUB FUND LONG-TERM INFRASTRUCTURE TO THE CITY OF NOVATO GENERAL FUND FOR REIMBURSEMENT OF ADMINISTRATIVE COSTS
M/S EKLUND/LUCAN**

Councilmember Eklund stated that the Council and Staff are doing what's best for MVMCC and the City of Novato as well. Councilmember Lucan thanked residents for their participation and the great management team in place.

M/S/C EKLUND/LUCAN AYES: 5 NAYS: 0

F. REGULAR REPORTS

7. **Park Management Verbal Update** – Matt Greenburg reported there is ongoing deferred maintenance with asphalt repair, standing water, special projects including replacing pool equipment, air & heat in the hall, projection/screen for movies. Other items included pool plastering. He stated staff were working with Al Frei and Novato engineering and planning for June through October to accomplish these smaller projects. Mr. Frei stated in 30 years of management, they were lucky to have the City's resources available but that consultants are necessary as well.
8. **PAC Update** – Jay Shelfer thanked the City Council and Staff and MVMCC management for their help in making this a sustainable community. Suggested City Staff use Matt to help formulate plans going forward.

G. COUNCIL/STAFF COMMENTS – None.

H. ADJOURNMENT

M/S/C EKLUND/FRYDAY AYES: 5 NAYS: 0

MEETING ADJOURNED AT 10:05 P.M.

STAFF REPORT



E - 2



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MEETING

DATE: June 5, 2017

TO: City Council

FROM: Regan M. Candelario, City Manager
Maureen Chapman, Interim Finance Manager

SUBJECT: **REVIEW, ACCEPT INPUT, AND APPROVE THE FY 17/18 BUDGET –
OPERATING AND CAPITAL FOR MVMCC**

REQUEST

Consider reviewing, accepting input, and taking action to approve the FY 17/18 Operating and Capital Budget for the Marin Valley Mobile Country Club.

DISCUSSION

Section 9 of the Management Agreement of the MVMCC documents outlines the process and timeline for the annual budget preparation for MVMCC. As stated in the Management Agreement, it is the responsibility of the property manager, Frei Real Estate, to prepare and present a proposed budget to the PAC, residents and then the City.

City staff, Al Frei, Matt Greenberg, and the PAC have all reviewed the proposed budget in detail to gain clarity and understanding. In addition, the PAC Board reviewed the budget and accepted resident feedback at its April 2017 board meeting. Overall the budget proposal is very stable in comparison to the current fiscal year. City staff is recommending only two adjustments to the Frei-proposed budget. More discussion on these differences is included below.

For Council’s consideration, attached are the following documents for your review:

1. Proposed 17/18 Operating Budget
2. Proposed 17/18 Capital Improvement Budget

Below are the key points for Council’s consideration of the budget and specific budget recommendations.

Overview

With preparation of the budget, there are some financial parameters that need to be kept in mind as the budget is prepared. The budget needs to ensure appropriate operating expenses for the Park, plus make investments in key capital facilities for both the short term and long term. In addition, the City has a goal of saving significant funds over the next several years in order to help fund replacement and reinvestment of the Park’s private utility infrastructure. While the City’s engineering staff currently are undertaking a new infrastructure condition and engineering study to plan for the long-term infrastructure needs, estimates conducted several years ago indicated an

investment of \$8 - \$10 million would be needed to replace the aging utilities within the park. At that time, it was planned for those repairs to begin in fiscal year 2022/23 (approximately 5-6 years from now).

In addition, there is a specific Debt Service Coverage Ratio which must be met as outlined in the loan agreement with the Bank of Marin. The coverage ratio, also known as "debt service coverage ratio," (DSCR) is the ratio of cash available for debt servicing to interest, principal and lease payments. It is a popular benchmark used in the measurement of an entity's (person or corporation) ability to produce enough cash to cover its debt (including lease) payments. The coverage ratio does not include contributions made to the Capital Improvement Budget. For MVMCC, the DSCR is calculated annually only; not monthly. Per the Bank of Marin Loan, the Park must maintain 2.00 annual Net Revenue or Coverage ratio each year. The Coverage Ratio calculation is estimated to be between 2.23 and 2.30 for FY 17/18 (as shown at the bottom of the Operating Budget).

KEY OPERATING BUDGET RECOMMENDATIONS - FY 17/18

There are relatively few differences between the proposed 17/18 budget and the current 16/17 budget. Several areas of note are discussed below.

1. Rent – (Budget Line #41110)

MVMCC’s rent is controlled by the City’s Mobile Home Rent Control Ordinance No. 1475. This ordinance sets the maximum general rent adjustment that can be passed through to residents each January 1. The amount of the rent adjustment is based on the San Francisco Bay Area Consumer Price Index (“CPI”) occurring over the twelve-month period immediately preceding the September 1, which immediately precedes January 1 of the year in which the increase is permitted. The rent charged for a mobile home space may increase by 100% of the percentage increase in the CPI. As required by State law, tenants are entitled to 90 days’ notice of any rent increase. Therefore, in order to apply a CPI increase as a general rent adjustment on January 1, 2018, residents must be notified by October 1, 2017, of any proposed rent increase.

Staff & Frei Recommendation – Despite the rent-controlled cap of CPI, the park has a long history of not increasing rents at the full CPI level. There was effectively no rent increase from 2009-2013 – for five years. During the recession, the Council supported no to minimal rent increases to ease financial strain on residents. More recently, the Council has elected rent increases of 1.5% - 2%, below inflation, to balance the needs of keeping the park affordable for seniors while ensuring the long term financial strength of the park. Recent history of the changes in CPI, along with the park’s annual rent increases are shown below.

Year	CPI Annual Increase (Aug-Aug)	Actual Rent Increase @ MVMCC
2010	0.95%	0.00%
2011	2.92%	0.00%
2012	2.80%	0.00%
2013	2.00%	0.00%
2014	2.96%	2.00%
2015	2.60%	1.50%
2016	3.05%	1.50%
Average CPI	2.47%	0.7%
Total CPI	17.28%	5.0%
2017 Recommendation	TBD until September 2016	No increase

Since the City took ownership of the park 20 years ago, rents have appreciated at a substantially slower rate than the allowable increases under the Mobile Home Rent Control Ordinance. This trend can be seen by applying some example rents from 1997 with the rent increases that have occurred to date and comparing to what they could have been had the full allowable CPI escalator been implemented. The table below shows the savings based on several different scenarios.

Example Rent from 1997	2018 Rent with Full CPI Escalator Allowed	2018 Rent with Actual MVMCC Increases	Difference
\$400	\$662	\$549	\$113
\$450	\$745	\$618	\$127
\$500	\$828	\$687	\$141

The overall financial strength of MVMCC remains on firm ground, but there are added expenses in maintenance and infrastructure requirements as the Park ages. Based on this, there is a need to grow revenues at or near inflation to ensure that the Park stays financially viable in the long run.

The consideration of whether or not to increase rents should not be based on any particular expense increase in a given fiscal year. It should be based at least in part upon the need to build infrastructure reserves for future expenses. As has been discussed in the past, this infrastructure is roughly estimated to cost between \$8 and \$10 million. Assuming that nothing fails in the interim, this large replacement project would need to begin in approximately six years. The park generates excess net revenue that goes into reserves each year, and 2017/18 is anticipated to be no different in that regard. However, despite the need to build reserves, Frei Real Estate, the PAC, and City staff are not recommending a rent increase in 2018. We will need to revisit this recommendation annually keeping in mind the need to build reserves to accrue enough reserve cash to enable the City to fully finance the eventual replacement of all of the Park’s utility infrastructure.

2. Wages – (Budget Line #50100)

Frei Real Estate is the property management company hired by the PAC to provide daily oversight of the operations and maintenance the Park. Three years ago, the Council approved the hiring of a full-time on-site Park Manager to increase the communication, feedback, and management of the Park. At this point, the staffing complement is relatively stable, consisting of the Park Manager, two maintenance staff, and a part-time bookkeeper. The budget for wages is not proposed to increase next year. Since the aforementioned staff are employees of Frei Real Estate, not the City, the actual decisions about performance evaluations, compensation increases, and other personnel matters are left to Al Frei and Frei Real Estate.

3. Utilities (Budget Line #s 52200 to 52700)

Most utility costs are anticipated to increase about 5% from the current year estimated actual costs. Otherwise, these costs are stable and are offset by the utility payments collected from residents.

4. Total Repairs & Maintenance (Budget Line #s 53100 to 54800)

The only increase in this section of the budget is for the security contract, which is increasing by \$20 per month, for a total annual increase of \$240.

5. Capital Expenses (Budget Line #57700)

The FY 17/18 budget allocates \$545,000 for investment in the Capital Improvement Budget. The budget additionally assumes \$160,000 for brush removal, a carryover from FY 16/17 which will be expended directly from reserves. Details about the Capital Improvement Budget are below.

6. Owner Expenses (Budget Line #72000)

This item was approved to increase in FY 16/17 at staff's recommendation to \$50,000 per year based on an analysis of costs attributable to the park since the city took ownership of the park. If the full \$50,000 is not incurred in any fiscal year, only the actual expenses are transferred.

KEY CAPITAL IMPROVEMENT BUDGET RECOMMENDATIONS - FY 17/18

The Capital Improvement Project (CIP) budget is also attached for Council and resident review. Staff has updated the budget to reflect Frei Real Estate's and City engineering's estimates of what will actually be spent this year and what will need to be carried over for any capital projects that were not completed.

The CIP budget makes the following key investments.

Short-Term CIP Projects

- \$100,000 for continued pavement, driveway and cul-de-sac overlays.
- \$30,000 to address ADA improvements related to path of travel issues from the on-street parking area to the entrance of the Clubhouse and surrounding external areas. This project was begun in the current year and will be completed in FY 17/18. The project includes correcting accessible parking spaces, the existing curb ramp onto the sidewalk, adding or supplemented pavement marking and signage, as well as the existing walkway to the front entrance of the building and around to the pool entrance.
- \$40,000 to repaint the east exterior wall of the Clubhouse and repaint the lower deck.
- \$100,000 for continued geo-technical work for retaining walls, v-ditches, drainage, and any slope stability issues.
- \$25,000 to replace one of the park trucks.

Long Term Infrastructure Planning – Funding from Infrastructure Reserve Fund

- \$250,000 for continued slope stability efforts resulting from the Engineering Infrastructure Study from Infrastructure Reserve Fund.

CONCLUSION

City staff recommends the Council hear from residents and take action. Staff recommends that the Council approve the FY 17/18 Operating and Capital Budgets at the June 5th meeting.

RECOMMENDATION

Approve the annual operating and capital budget for MVMCC for FY 17/18.

ATTACHMENTS

1. Proposed Operating Budget
2. Proposed Capital Budget

Marin Valley Mobile Country Club
Proposed Budget 2017-18

E-2

1.

Acct #	DETAIL		2016-2017	2016-2017	2017-2018	2017-18	2017-18
	INCOME		Proj. Actual	Budget	Frei Proposed Budget	City Recommended Changes	Final Proposed Budget
41110	Space Rent	No recommended increase for FY 17/18	2,398,982	2,398,982	2,398,982		2,398,982
41300	Late Fees	Actual late fees Jul-Feb Avg \$100/mo	1,238	840	1,200		1,200
41400	Laundry	Actual laundry income Jul-Jan Avg \$100/mo	1,219	660	1,200		1,200
41500	Staff's Mobile Home Rent	\$1068/mo; \$1079/mo Jan-Jun	12,756	12,756	12,882		12,882
41700	Vehicle Parking Fees/RV	Actual parking fees Jul-Feb Avg \$870/mo	10,650	11,760	10,440		10,440
	Total Permanent Rent		2,424,845	2,424,998	2,424,704	-	2,424,704
							-
42200	Electric	Per estimate analysis +5% (Park Billing Historical Data)	206,296	185,926	215,700		215,700
42300	Garbage	\$9,800/mo 313 @ \$31.31	108,698	105,240	117,600		117,600
42400	Gas	Per estimate analysis +5% (Park Billing Historical Data)	133,824	147,341	152,800		152,800
42500	Sewer	LGS \$868 per unit = \$22,640.30/mo	253,445	263,025	271,684		271,684
	Total Utilities		702,263	701,532	757,784	-	757,784
							-
43200	Investment Income	Estimate per City	33,500	24,000	34,000		34,000
43300	Other Income		200	-	200		200
43400	Grant Income		-				-
	Total Other Income		33,700	24,000	34,200	-	34,200
	TOTAL INCOME		3,160,808	3,150,530	3,216,688	-	3,216,688
	EXPENSES						
50050	Wages - Park Manager	No increase	70,164	73,500	73,500		73,500
50100	Wages - Bookkeeper	No increase	15,000	15,750	15,750		15,750
50150	Wages-Maintenance	No increase	30,344	31,689	31,689		31,689
50200	Wages-Assistant Maintenance	No increase	22,784	23,751	23,751		23,751
50250	Wages-Performance Comp	Estimate	-	0			-
50400	Staff's Mobile Home Rent	\$1068/mo \$1079/mo	12,756	12,756	12,882		12,882
50500	Travel	Manager Mileage Reimbursement	-	600	600		600
	Total Wages		151,049	158,046	158,172		158,172
							-
51100	P/R Taxes	Estimate - Employer Payroll Taxes	15,272	14,700	14,700		14,700
51200	Insurance - Health	Onsite Staff	8,760	8,760	8,760		8,760
51300	Workers Comp	Estimate based on rates from workers comp	17,876	22,500	22,500		22,500
	Total P/R Taxes/Insurance		41,908	45,960	45,960		45,960
							-
	TOTAL EMPLOYEE COSTS		192,957	204,006	204,132		204,132
							-

Marin Valley Mobile Country Club
Proposed Budget 2017-18

Acct #	DETAIL		2016-2017	2016-2017	2017-2018	2017-18	2017-18
	INCOME		Proj. Actual	Budget	Frei Proposed Budget	City Recommended Changes	Final Proposed Budget
52200	Electric	Per estimate analysis (prev year Actual + 5%)	213,076	215,000	203,800		203,800
52300	Garbage - contract	\$10,144/mo based on current contract + 5% incr	115,984	114,360	127,800		127,800
52310	Garbage	Periodic Dumpsters for Resident Clean up - \$8,745	21,035	4,000	8,000		8,000
52400	Gas	Per estimate analysis (prev year Actual + 5%)	123,065	114,805	122,880		122,880
52500	Sewer	LGS \$868 per unit = \$22,785/mo	263,025	263,025	273,420		273,420
52700	Water	Based prev year on act + 10%	75,525	68,350	78,800		78,800
	Total Utilities		811,710	779,540	814,700		814,700
53100	Concrete Maintenance	Estimate	-	655	655		655
53200	Fire Abatement	Estimate for brush/weed clearing per fire dept requirements	81,825	45,000	45,000		45,000
53300	Landscape Maintenance	DelToro \$968/mo + \$7,500 extra/yr (weed control)	11,616	20,000	20,000		20,000
53400	Maintenance Home Repairs	Estimate	878	1,000	1,000		1,000
53500	Operating Supplies & Equip	Estimate operating supplies (cleaning supplies & consumables)	3,469	4,800	4,800		4,800
53600	Pool Supplies & Equipment	Actual July-Feb Avg \$350/mo chemicals + \$380 svc	7,646	12,000	12,000		12,000
53700	General Repairs	Common Area maintenance and repairs	31,939	45,000	45,000		45,000
53800	Security Contract	Patrols \$660/mo	7,740	7,680	7,920		7,920
54000	System Maintenance - Gas	\$1800/Ann. Gas Leak Survey-\$10,200/Repairs	6,136	16,250	16,250		16,250
54030	System Maintenance - Electrical	Main switch service / Repairs ave \$520/mo	9,535	19,500	19,500		19,500
54050	System Maintenance - Generator	Maintenance contract (\$2,500)+ repairs	277	5,200	5,200		5,200
54100	System Maintenance - Sewer	Actual prev year ave \$850/mo, sewer line clearing/repairs	14,913	23,400	23,400		23,400
54200	System Maintenance - Water	Minor Repairs to Water Lines	-	780	780		780
54210	System Maint - Storm Drain	Estimate	-	10,000	10,000		10,000
54220	Street Crack Seal Repair	Estimate	-	15,000	15,000		15,000
54300	Tools & Equipment Repair	R&R Park tools and equipment	-	2,000	2,000		2,000
54400	Trees	Estimate tree trim and removal (MG)	65,000	65,000	65,000		65,000
54500	Uniforms	Park Staff Shirts/Jackets/Raingear	347	300	300		300
54600	Utility Maintenance	Unanticipated service/repairs to meters etc	-	3,120	3,120		3,120
54700	Vehicle Maintenance	Repairs/service/DMV fees	2,005	3,000	3,000		3,000
54800	Contingency	Estimate	5,811	8,000	8,000		8,000
	Total Repairs/Maintenance		249,138	307,685	307,925		307,925
55100	Advertising & Promotion	Estimate		600	600		600
55200	Bank Charges	Actual Fees Ave \$65/mo	750	780	780		780
55400	Copier Supplies/Repairs	Estimate	160	1,500	1,500		1,500
55500	Dues & Subscriptions	Estimate, title 25, MH Residency Law updates		350	350		350
55600	Education & Seminars	Onsite Staff Training		3,100	3,100		3,100
55700	Legal	Estimate, enforcement of Park documents/collections	69	15,000	15,000		15,000
55800	Licenses & Permits	Dvc-\$1050/HCD-\$4500/Pl,Spa Pmt \$740,City \$270	6,400	6,400	6,400		6,400
56100	Office Supplies & Equipment	Actual July-Feb Avg \$750/mo add \$80 p/mo water clbhs	7,406	10,440	10,000		10,000
56200	Other Expense	Estimate		5,504	5,504		5,504
56300	Outside Services	Park Billing \$500/\$115-ans serv/\$255 pest/clbhs cl \$795 p/qtr	11,916	15,000	14,000		14,000

Marin Valley Mobile Country Club
Proposed Budget 2017-18

Acct #	DETAIL		2016-2017	2016-2017	2017-2018	2017-18	2017-18
	INCOME		Proj. Actual	Budget	Frei Proposed Budget	City Recommended Changes	Final Proposed Budget
56600	Telephone	Actual July-Feb Avg \$775, phone, fax, internet	9,279	7,800	9,300		9,300
	Total Office & Administration		35,980	66,474	66,534		66,534
	TOTAL OPERATING COSTS		1,289,785	1,357,705	1,393,291		1,393,291
57200	In-Lieu of Tax Fees - Novato	\$6,314 p/mo per city	73,860	73,860	75,768		75,768
57220	Resident Humanitarian Services		12,000	12,000	12,000		12,000
57300	Insurance-Prop & Liability	Estimate per DW	86,000	86,000	92,500		92,500
57350	Insurance - D&O MARVAL		7,928	8,500	8,500		8,500
57600	Management Fee	\$4,700 p/mo	56,400	56,400	56,400		56,400
57700	Capital Expenses	Budgeted on CIP 2017-2018	648,500	648,500	595,000	(50,000)	545,000
57750	Audit	Contracted Mann, Urrutia, Nelson, CPA (no chg per MC)	5,100	5,200	5,200		5,200
59900	Mobile Home Rent Control Fee	\$60 per space per City's Rent Control Ordinance	18,900	18,900	18,900		18,900
	Total Project Fees Costs		908,688	909,360	864,268		864,268
	NET OPERATING INCOME		962,335	883,465	959,129		959,129
							-
	Bank of Marin Loan:						-
	Loan Principal	Per amortization schedule	475,966	475,929	489,640		489,640
	Loan Interest	Per amortization schedule	175,206	175,243	161,532		161,532
	Total Loan Payments		651,172	651,172	651,172		651,172
							-
1)	Excess Revenue		311,163	232,293	307,957		307,957
							-
	Application of Budget						-
1)	EXCESS REVENUE		311,163	232,293	307,957		307,957
							-
							-
72000	Owner Expense	Increase agreed beginning FY 16/17	50,000	50,000	25,000	25,000	50,000
71000	PAC Expense		4,000	4,000	4,000		4,000
80000	Professional Services						-
81000	Park Improvement		20,000	20,000	20,000		20,000
81500	Emergency Prep MVEST		5,000	5,000	5,000		5,000
							-
	TOTAL EXPENSES		2,928,645	2,997,237	2,962,731	25,000	2,987,731

Debt Service Coverage Calculation (Minimum per loan agreement is 2.00) 2.35 2.23 2.30 2.23

Debt Service Coverage Calculation (assuming \$75,000 unspent) 2.35 2.35 2.42 2.30

**Marin Valley Mobile Country Club - FY 15/16 FINAL CAPITAL BUDGET
City Council APPROVED 6-8-2015; CIP Budget Amendment 10-20-2015**

		Actual Thru 8 Months	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9
	CAPITAL COMPONENT	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
	SHORT-TERM CIP PROJECTS										
1	ASPHALT/STREETS/LIGHTS										
2	Overlay		60,000	10,000	35,000	10,000	35,000	10,000	35,000	10,000	35,000
3	Repairs / Crack Fill (moved to operating budget #54220 for \$15,000 per year)										
4	Seal Coat/Restripe	32,965									
5	Driveways & Cul de sacs		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
6	Signage - Events Sign										
7	Signage - Traffic Signs										
8	Streetlights										
	COMMON AREA/RECREATION FACILITIES					75,000	75,000	75,000	75,000	75,000	75,000
9	Clubhouse ADA Improvements										
10	Phase 1 - ADA parking 2 spaces and exterior path of travel to Clubhouse	25,000	30,000								
11	Phase 2 - Elevator				270,000						
12	Phase 3 - Pool Bathrooms / Bathrooms			100,000							
13	Phase 4 - Other minor ADA improvements				50,000						
14	Exterior Paint / Carpentry - Front Fascia	41,498									
15	Repaint East Exterior Wall of Clubhouse		15,000								
16	Lower Deck Replacement		25,000								
17	HVAC										
18	Air Conditioning (2) - Ballroom										
19	Heat (5)										
20	Kitchen Remodel										
21	New Ballroom Floor (to be initiated after ADA study complete)			50,000							
22	Shades & Awnings (Ballroom & Fireside Room & Deck)										
23	Bathroom Remodel for Disabled (H/C) - womens										
24	Bathroom (Women's)										
25	Clubhouse Flat Roof, Beams	21,588									
26	Laundry Room Roof & Misc Repairs										
27	Emergency Generator										
28	Pool/Lanai										
29	Pool Bathrooms			75,000							
30	Pool & Spa Resurface / Equipment Upgrade / ADA Compliance	90,000									
31	Electrical System Analysis and Service Panel Upgrade	5,183									
32	Anode Bed and Rectifier Replacement	9,400									
	GEO TECHNICAL - ROUTINE CAPITAL WORK										
33	Slopes/Drains/V-ditches	58,263	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
34	Retaining Walls	158,820	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
	UTILITIES - ROUTINE CAPITAL WORK										
35	Sewer										
36	Gas										
37	Electric										
38	Pump Station Upgrades										
39	Park Owned Mobilehomes	6,064		20,000			20,000				
40	Park Vehicle (truck)		25,000				25,000				
	Sub Total Projected Expenditures	448,781	295,000	395,000	495,000	225,000	295,000	225,000	250,000	225,000	250,000

**Marin Valley Mobile Country Club - FY 15/16 FINAL CAPITAL BUDGET
City Council APPROVED 6-8-2015; CIP Budget Amendment 10-20-2015**

	Actual Thru 8 Months	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9
CAPITAL COMPONENT	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
LONG-TERM INFRASTRUCTURE CIP PROJECTS										
41	INFRASTRUCTURE - MVMCC Conditions Survey Dec 2011									
42	Engineering/Planning Design Construction Docs					300,000				
43	All Infrastructure System Replacement						3,000,000	3,000,000	2,000,000	2,000,000
44	Water System		20,000		25,000		30,000		30,000	
45	Storm Drain System									
46	Sanitary Sewer System									
47	Two Pump Stations Maintenance									
48	Complete Overhaul (2031)									
49	Electrical System									
50	Gas System									
51	Slope Stability		250,000	-	200,000	-	200,000	-	-	-
52	Streets									
	Total Projects Conditions Survey Projected Expenditures	-	250,000	20,000	200,000	25,000	500,000	3,030,000	3,000,000	2,030,000
	TOTAL EXPENDITURES	448,781	545,000	415,000	695,000	250,000	795,000	3,255,000	3,250,000	2,255,000
RESERVE FUNDS - USE OF FUNDS (see Forecast for Reserve Projections)										
INFRASTRUCTURE RESERVE										
53	Engineering Infrastructure Study									
54	Phase 1 - City staff time for utilites research, RFP, Agreement \$25,000	25,000								
55	Phase 2 = Engineering Consultant for infrastructure study	0								
56	Brush Removal (Carryover from 16/17 Budget Amendment)		160,000							
	Total Expenditures from Infrastructure Reserves	(25,000)								
Notes:										