



**City Of Sausalito
FY2020-2021
Adopted Budget**





CITY OF SAUSALITO



Budget Book Preparation:

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Heather Leporte – Management Analyst

Photographs – Beth DiLego



CITY OF SAUSALITO

Fiscal Year 2020-21 Adopted Budget

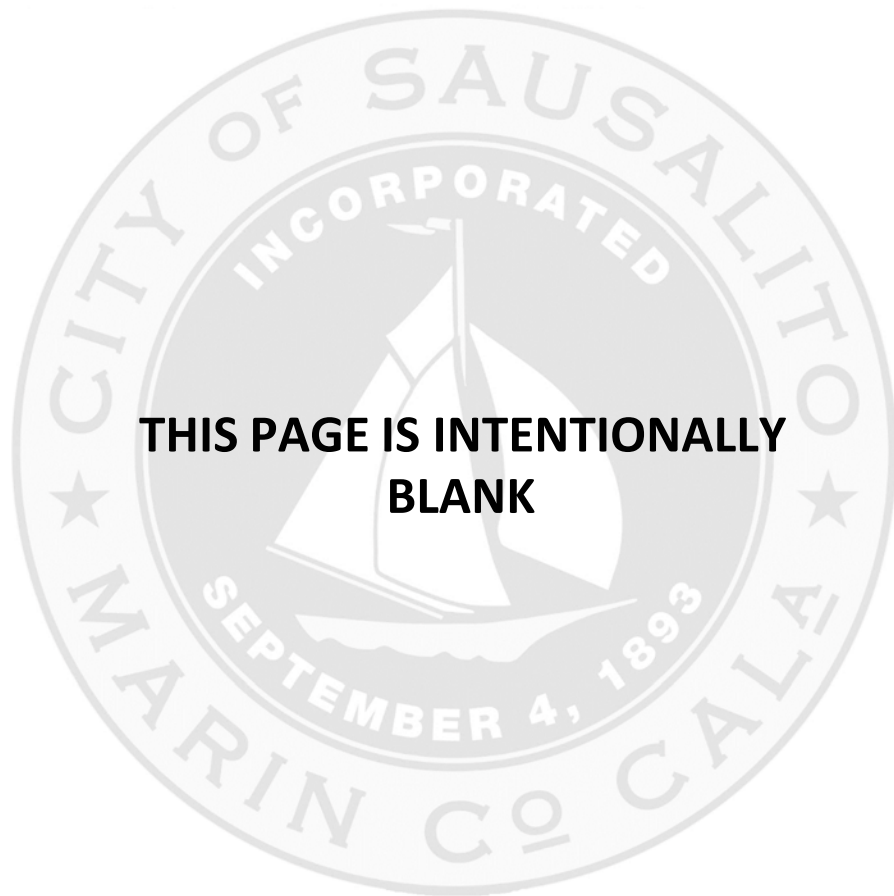




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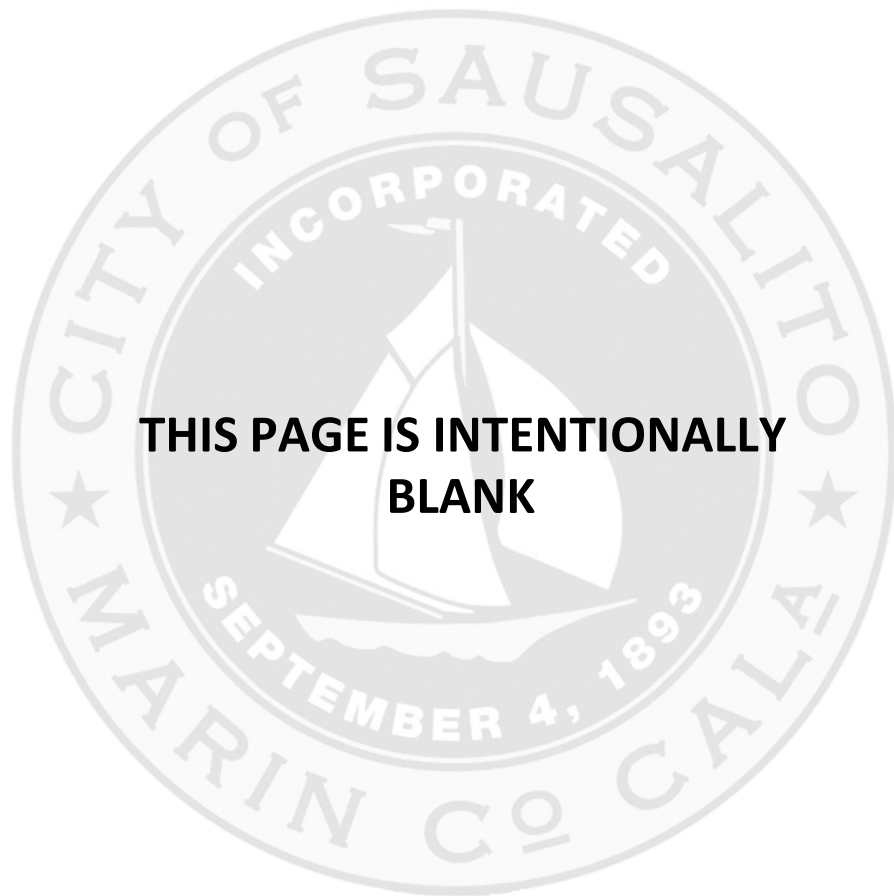
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CITY OF SAUSALITO

Executive Summary





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CITY OF SAUSALITO

420 Litho Street
Sausalito, CA 94965

June 23, 2020

Honorable Mayor, City Council Members, and Community Members,

It is with great pleasure that I present to the City Council and the community the Fiscal Year 2020-21 Adopted Budget.

The FY 2020-21 Budget for the City of Sausalito has been prepared in the midst of a historic public health crisis, a resulting economic crisis, and widespread condemnation of the longstanding racial inequity crisis in our nation.

As the COVID-19 pandemic has spread across the globe, its impact on our City has been equally rapid and severe. As our civic and social lives have changed, spending and economic growth have contracted dramatically, leading our business community to struggle and impacting City revenues across almost every revenue stream.

The COVID-19 Pandemic has had an unprecedented impact on our nation. The impact has been particularly severe in states like California that rely on international travel and tourism. Within California, that impact is felt most heavily in cities like Sausalito which rely on tourism and related services to generate vital revenues for our businesses and the City's general fund resources.

According to the federal Bureau of Labor Statistics as of May, 2020, the nationwide unemployment rate is 13.3% with 21 million people unemployed. The California Employment Development Department (EDD) reports that California's unemployment rate rose to a record high 15.5 percent in April as the state's employers lost 2,344,700 nonfarm payroll jobs. The EDD states that "the unprecedented job losses are like nothing before seen in California history in a current data series that dates back to 1976, and are a direct result of the impacts of the COVID-19 pandemic."

The League of California Cities reports that:

"California cities are projecting a nearly \$7 billion general revenue shortfall over the next two fiscal years. This shortfall will grow by billions of dollars if COVID-19 stay-at-home orders extend into the summer months and beyond"

According to the League ninety percent of cities project that these shortfalls will impact core city services, including police, fire service, emergency management, and planning and housing, and a majority of the cities surveyed anticipate lay-offs or furloughs, which will further impact core city services for residents, as well as the employees.

The Shelter in Place Orders enacted to mitigate the spread of COVID-19 shuttered much of Sausalito's famed restaurants and landmarks, effectively eliminating major sources of revenue and creating an immediate and unprecedented budget impact to the businesses and the City. Although the City Council adopted the structurally balanced FY 2019-20 Budget on June 18, 2019, the nature of the local and regional economy and the ability to generate vital revenues and sustain the level of current programming anticipated in that budget changed dramatically in the Spring of 2020.

The City Council adopted the structurally balanced FY 2019-20 Budget on June 18, 2019. On April 14, 2020, staff presented the FY 2019-20 Midyear budget analysis that revealed a projected structural deficit of nearly \$820,000, primarily caused by the outbreak of the COVID-19. During the mid-year budget review, the Council authorized staff to balance the budget by a one-time use of the 10% shortfall policy designation in the operating contingency of the General Fund balance.

At the April 28, 2020 meeting, staff presented three realistic economic scenarios for the upcoming FY 2020-21 General Fund Revenues and completed the FY 2020-21 General Fund Base Budget for each scenario. Staff received Council direction to pursue the "most probable" scenario for the upcoming FY 2020-21, assuming that the Shelter in Place order would be partially lifted before the end of June, but ongoing restrictions would continue to hamper businesses through the end of 2020 and the economy enters a prolonged recession. Under this scenario, City revenues were projected to reduce by \$1.3 million or 9% from the already reduced FY 2019-20 revised level.

At the May 12, 2020 meeting, after staff presentation of the citywide FY2020-21 Base budget which identified a projected structural General Fund deficit of \$4.3 million, the City Council authorized staff to use an unprecedented \$2.5 million from the unrestricted fund balances of Parking, Vehicle Use, Employee Benefit, and the MLK Funds to help balance the General Fund.

At the time of the City Council study session on June 9, 2020, staff presented the FY 2020-21 General Fund Budget that contained a list of 37 recommended budget programs and staffing options for Council's consideration to reduce the General Fund deficit by nearly \$2.4 million and replenish the recommended reserve balance depleted in prior years. City Council provided policy direction to staff to include these program options in the upcoming year's budget together with additional funds to be used for the Southview Park CIP project and body-worn cameras in the Police Department.

The Adopted Budget includes adjustments to the General Fund that include the above-mentioned capital transfer to Southview Park project, the ongoing equipment and personnel cost of body-worn cameras, as well as adjustments based on some labor-related reductions.

As a result of concerns over COVID-19, the Marin County Health Department recommended that all non-essential functions be suspended. Therefore in March 2020, the City of Sausalito took the following actions:

- Closed City Hall to the public and moved the majority of employees to a remote work environment;
- Closed the Sausalito Library and significantly reduced services;
- Closed playgrounds and public restrooms;
- Moved Council and Commission meetings to online platforms;
- Canceled private events and rentals in City facilities;
- Canceled or reduced Adult Recreation Activities.
- Cancelled City events including Volunteer Appreciation, Easter Parade, and Egg Hunt, WAG Dog Festival, Jazz and Blues by the Bay, and 4th of July Parade planned through the rest of the fiscal year as well as all other events planned for Summer, Fall and Winter time frame in accordance with the health orders.

The City Council also took additional steps to offer assistance to the public during this difficult time including the following:

- Established a COVID Relief Program for City tenants with various terms ranging from the utility waiver to rent forbearance and reduction
- Ratified the Executive Order signed by the City Manager to temporarily suspend certain regulations of the Sausalito Municipal Code to provide necessary relief by expediting the process and suspending certain permits and fees to maintain a thriving business community and protect the health, safety, and economic welfare of Sausalito residents and businesses
- Established “Love Sausalito” Program and contributed \$10,000 to provide support to small businesses in Sausalito
- Approved the temporary closure of the Caledonia Street and temporarily eliminated the parking on portions of Caledonia to allow restaurants and businesses to use the right-of-way to extend outdoor dining and showcase merchandise and expedited permit processing for outdoor dining
- Created a Blue Ribbon Committee to develop creative funding sources to offset the impacts of COVID-19 on City services
- Distributed a mental health flyer to every home in Sausalito
- Created a Virtual Service Counter for the Community Development Department
- Offered curbside pickup of library materials and hosted zoom virtual library events and reading groups
- Created Parks and Recreation Zoom programs for all ages and offered Parks and Recreation summer camps and outdoor activities conforming to public health orders
- Distributed hundreds of disposable masks to local businesses to give away to their customers
- Provided downtown ambassadors to encourage social distancing and mask-wearing among visitors of Sausalito

- Implemented COVID-19 Protocols and increased frequency of cleaning of public facility and public restrooms

In addition to all of the City Council's actions, the City staff has continued to implement all protocols and procedures necessary to keep our employees and the public safe. The City has transitioned a majority of its workforce to remote (telework) status, while maintaining essential services such as police and public works.

The Adopted FY 2020-21 Budget is balanced and reflects the City Council's direction and priorities in applying balancing strategies in response to COVID-19. Fiscal sustainability will remain the City's high priority in the upcoming year and beyond. To that end, staff will continue to seek ways to provide quality services to the public. At this time, like many cities, we are not anticipating a significant or timely federal bailout. While we have initiated the process to apply to FEMA for disaster reimbursement funds, those funds are strictly addressing COVID-19 expenses. While these funds will be welcomed, the real cost of the COVID-19 fiscal disaster comes from the wear and tear on our staff and the loss of revenues, which so far have not been addressed in Federal stimulus funding. Staff is closely monitoring the situation in Washington and Sacramento, but we cannot assume that significant assistance will be forthcoming. For these reasons, we must, as a City, meet the fiscal challenges we face.

While the City's values have not changed, our ability to fund and operate nonessential programs, capital improvements, and current staffing levels have. Some of the proposed changes are painful and may not appear to be fair or equitable. However, they must be made to limit impacts as the City looks to long-term sustainability. As a result of needing to refocus our energies, expertise, and resources (time, money, and people), the City must suspend work that does not address the pressing needs of our community today. This includes reducing the City organization in both scope and size and providing services differently.

More significant savings may be realized by pursuing alternative service models that would shift some of the current in-house functions to the contract model in the future. The structural program changes of that nature would require significantly more time to formulate, as these would include complex factors outside of the City's control, including third-party negotiations, bidding procedures, and negotiations with the labor unions. It is very likely that these additional options will be needed to balance the following year's FY 2021-22 Budget, as the one-time use of fund balances will no longer be available, and if the economy does not bounce back, which is our current working scenario. Also, it will likely take the entire FY 2020-21 or longer to formulate and work through the details of each alternative service delivery model.

Staff is also mindful of a number of other upcoming fiscal challenges that may impact the City's budget and future sustainability. These challenges include the COVID-19 impact on the State and Federal Budget that may negatively affect local governments; prospects of a long-term economic downturn coupled with a possible resurgence of COVID infection rates taking an unpredictable course; and unfunded liabilities related to pension and OPEB that will significantly increase the City's reported liability. The last item is especially concerning given that the PERS portfolio has experienced significant losses during the past months, which will further increase the unfunded

liability owed and, therefore, the annual contribution amounts owed by the City. The losses suffered this year will impact PERS rates in FY 2022-23.

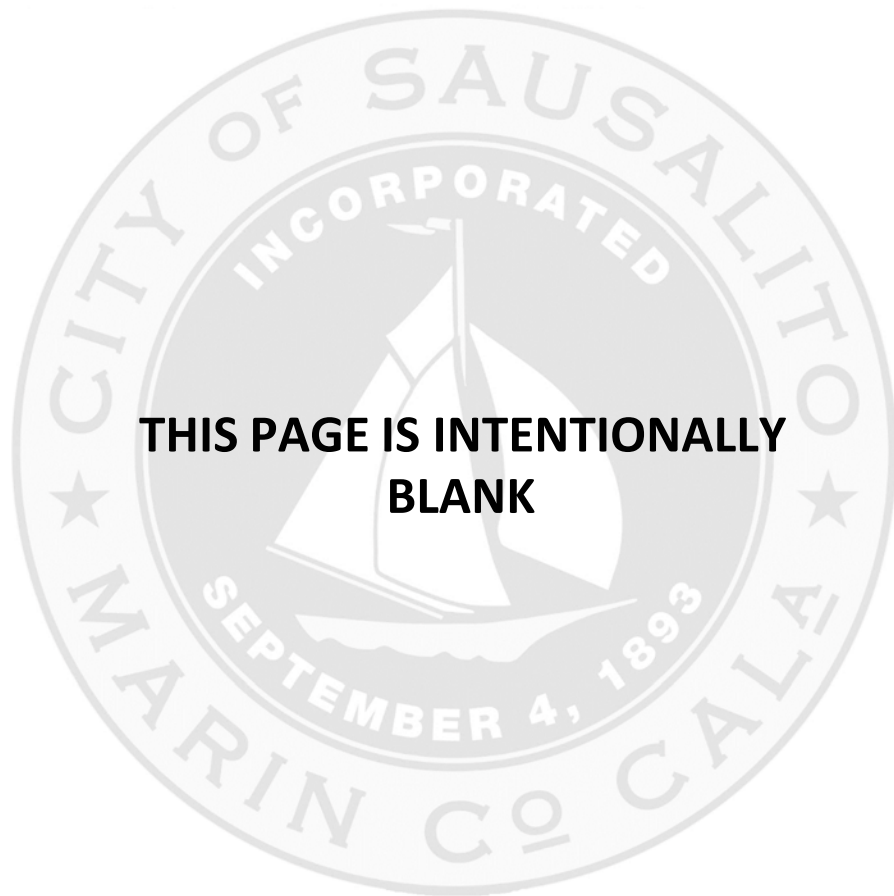
The staff looks forward to continued work with the City Council and the community to address any potential financial challenges that may lay ahead and identify operational opportunities and efficiencies, assess appropriate fee structure, pursue acceptable economic development opportunities and advise on alternative revenue options available to the City and the community to facilitate economic recovery and ensure the continuing high quality of life for the residents and visitors of the City of Sausalito.

I would like to thank the City Council for their leadership and the Executive Leadership Team and the entire staff for providing outstanding services to our community. This budget document represents countless hours of teamwork, collaboration and patience, especially given the severe fiscal challenges and putting this document together in the midst of the unprecedented pandemic.

Respectfully Submitted,

Adam Politzer

City Manager



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About Sausalito

Incorporated in 1893, the City of Sausalito is located in Marin County, just north of the Golden Gate Bridge. It is 2.3 square miles in area and has a population of around 7,000.



In 1775, Spaniards settled the area previously inhabited by Coast Miwok. The Spaniards named the town Saucito (little willow) after the small willow trees growing on the banks. The name evolved into Sausalito. In World War II a major shipyard was built on the waterfront producing 93 Liberty Ships and tankers for the war effort. The area attracted artists and writers who created a bohemian aura that persists to this day, giving the town a reputation as an art colony and literary enclave.

The City of Sausalito operates under a council-manager form of government. It is governed by a five-member elected City Council who serve overlapping terms of four years. The Council elects one of its members to serve as mayor for one year and appoints a City Manager who is responsible for the oversight of daily operations and provides leadership for the City's programs.



The City provides a range of services including, but not limited to, police protection, the construction and maintenance of streets and other infrastructure, community development, and recreation and library services.



The City benefits economically from its unique residential community, its commercial and industrial sectors, and its world-class scenic tourist base. This yields a more stable tax and revenue base than many other California cities.

A large driver of the economic growth has continued to be the local real estate market. Sausalito's total assessed value for 2018-19 in housing prices remained strong. Home sales data for the first six months of 2019 indicated that single family residential properties in Sausalito sold for 13% more than in the previous year.



Sausalito is widely recognized as a unique waterfront community with world-renowned natural beauty. It is home to artists and poets, has an offbeat character, stunning views, art galleries, boutiques, world-class hotels and open-air restaurants, making it a top tourist destination in addition to being a wonderful place to live and work.



Sausalito is an easy commute to San Francisco. Just minutes from the Golden Gate Bridge, it is a short drive in to the city. Alternatively, the ferry terminal is in downtown Sausalito and

a ferry ride into the city is a pleasant way to start the day.

Visitors and residents enjoy strolls along our beautiful waterfront, and hiking the City's hidden stairs and trails. The Bay Model Visitor Center is an educational center with a hydraulic model of the San Francisco Bay. Every December there is a lighted boat parade and firework display on Sausalito's iconic waterfront.

The Parks and Recreation Department organizes an outstanding range of special events throughout the year, including the ever-popular Jazz and Blues concerts in the summer, a Chili Cook-off, a "Souper Bowl", a spectacular firework display on the 4th July, a Halloween haunted house, and even a dog festival!

There are classes and programs for every age group, from Playland, an indoor bounce-house for children, to the Edgewater Seniors Club, which has been meeting for over 40 years.





CITY OF SAUSALITO

City Council



Mayor
Susan Cleveland-Knowles



Vice Mayor
Ray Withy

Council Members



Joan Cox



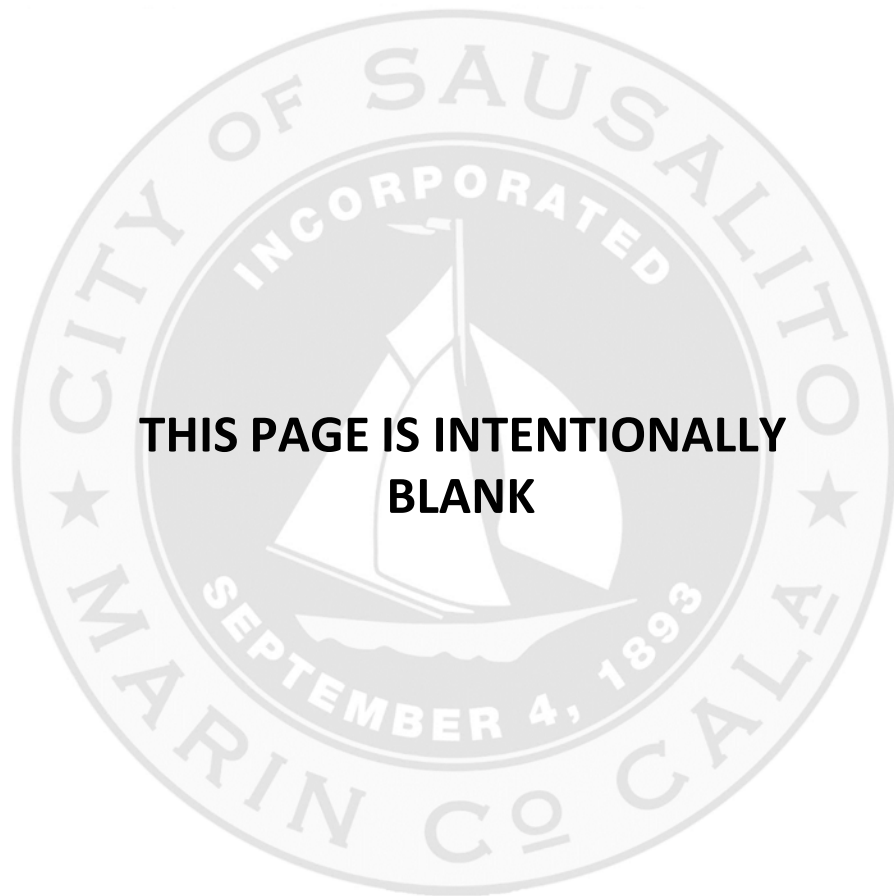
Joe Burns



Jill James Hoffman
Active Duty Sept 2019-Sept 2020

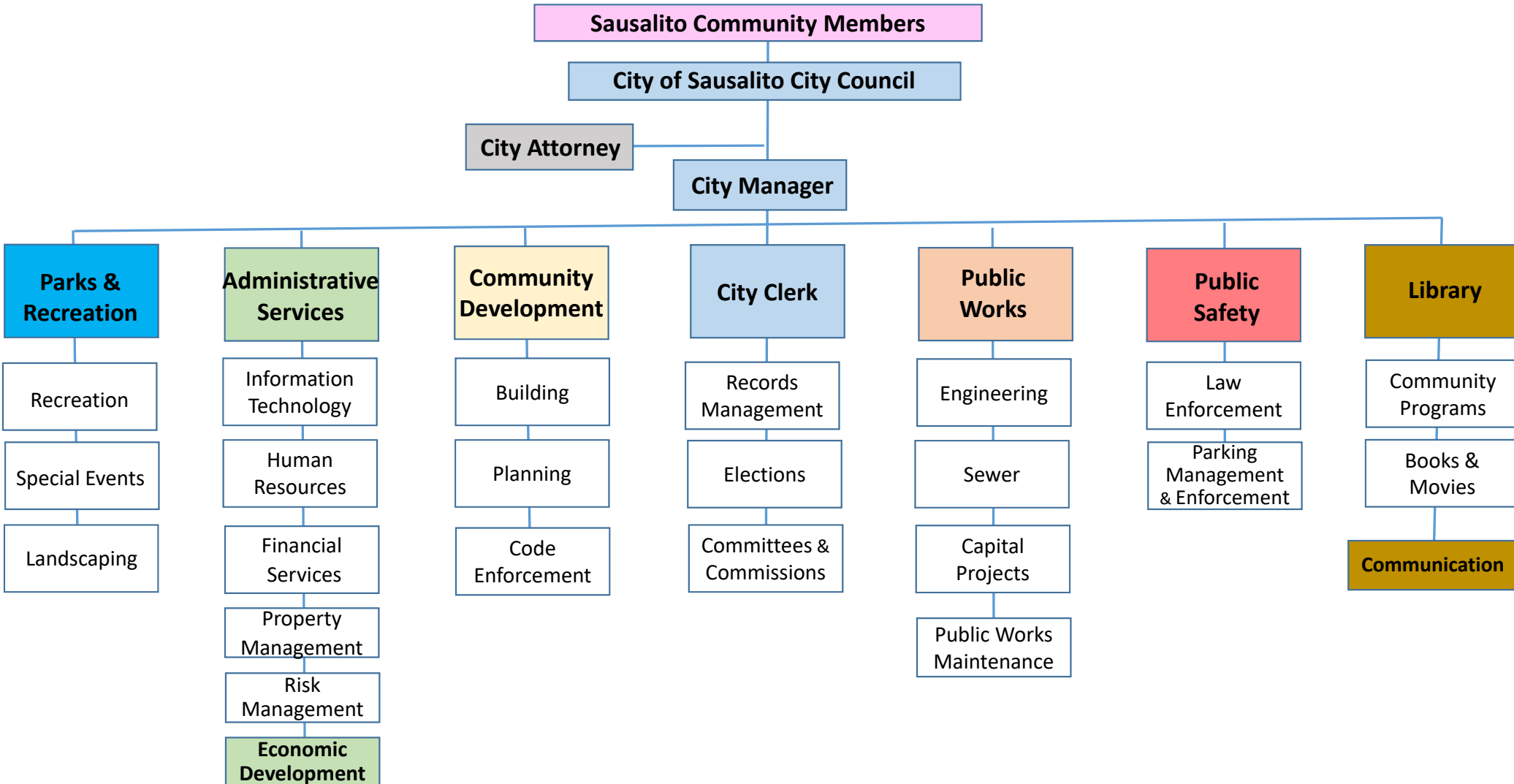


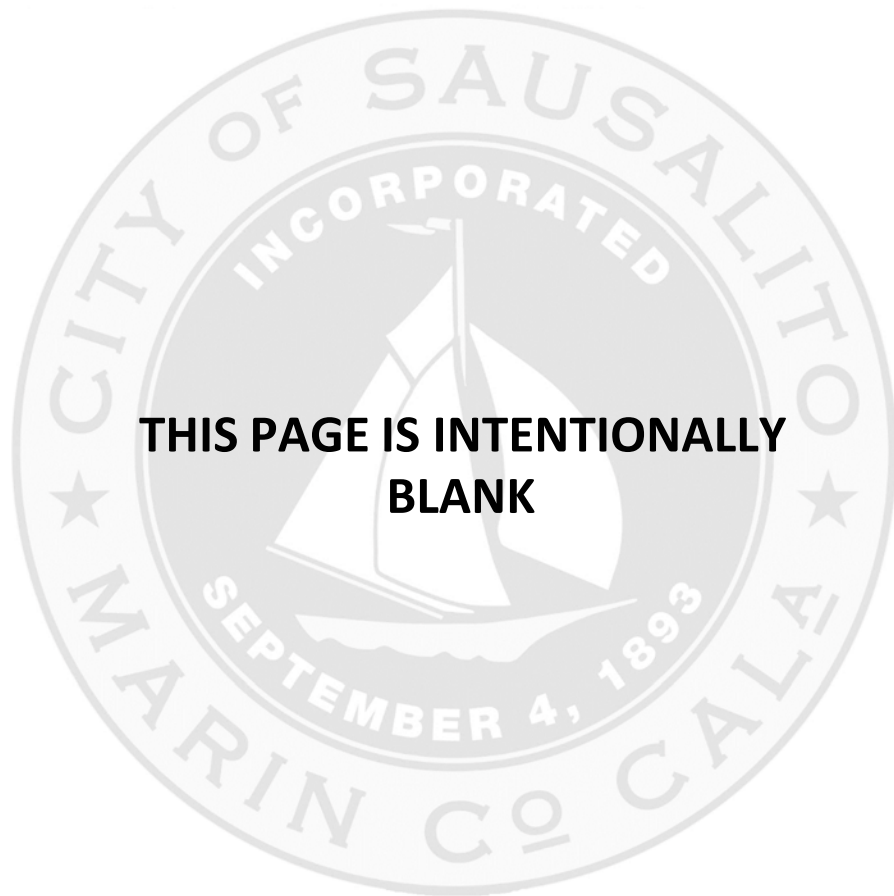
Tom Reilly
Interim Council Member



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City of Sausalito Organizational Chart





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City of Sausalito

Adoption of FY20-21 Budget

The FY2020-21 Budget was adopted at a regular meeting of the City Council on June 23, 2020.

Due to the COVID-19 pandemic, the City Council of the City of Sausalito directed staff to prepare a one year budget instead of proceeding with the normal biennial budget preparation process.

The FY 2020-21 General Fund Operating Revenues Budget is \$18.4 million, and the General Fund Expenditures Budget is \$18.2 million and includes \$496,400 in capital transfers of Measure O funds. The FY 2020-21 Other Funds revenues and expenditures total \$13.1 million and \$17.0 million accordingly.

FY 2020-21 Budget Highlights

- **FY 2020-21 Proposed Budget is Balanced**
 - when op. revenues are compared to op. expenses
- **General Fund Revenues: \$18.4M**
 - 5% (\$1M) below FY 2019-20 Revised Budget
 - 20% (\$3.1M) below FY 2020-21 Modified Base Budget
- **General Fund Expenditures: \$18.2M**
 - 13% (\$2.6M) below FY 2019-20 Revised Budget
 - 7.5% (\$1.5M) below FY 2020-21 Base Budget
 - General Fund One-time Capital Transfers: \$496,300

RESOLUTION NO. 5952

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAUSALITO
AUTHORIZING THE ADJUSTMENT OF THE FY 2020-21
OPERATING AND CAPITAL BUDGET**

WHEREAS, the City Council reviewed and adopted the second-year budget of the biennial Fiscal Year 2018-20 Operating and Capital Budget on June 18, 2019; and

WHEREAS, due to COVID-19 pandemic, the City Council of the City of Sausalito directed staff to prepare a one year budget instead of proceeding with the normal biennial budget preparation process; and

WHEREAS, the City Council of the City of Sausalito has held a public hearing on June 23, 2020 for consideration of adoption of the recommended FY 2020-21 Operating and Capital Budget; and

WHEREAS, the recommended budget was prepared in accordance with the financial policies of the City; and

WHEREAS, the recommended budget is a balanced expenditure plan that ensures the maintenance of adequate reserves during FY 2020-21; and

WHEREAS, the City of Sausalito now desires to adopt the 2020-21 Fiscal Year Appropriations Limit, Operating and Capital Improvement Program Budgets for FY 2020-21;

NOW, THEREFORE, THE CITY COUNCIL HEREBY RESOLVES:


The City Council of the City of Sausalito hereby approves the budget adjustments increasing the City-wide revenues and expenditures as follows:

	Revenues & Transfers In	Expenditures & Transfers Out	Change to Fund Balance
GENERAL FUND	\$ 18,407,000	\$ 18,183,600	\$ 223,400
ENTERPRISE FUNDS			
Sewer Operating/Capital	4,566,400	6,229,200	(1,662,800)
Old City Hall	247,000	235,200	11,800
MLK	1,276,800	1,571,200	(294,400)
Parking	2,290,700	3,779,200	(1,488,500)
Total Enterprise Funds	8,380,900	11,814,800	(3,433,900)
SPECIAL REVENUE FUNDS			
Capital Improvements	1,283,400	1,208,400	75,000
Tidelands*	758,100	628,900	129,200
Traffic Safety**	30,000	-	30,000
Gas Tax	206,600	86,000	120,600
Construction Traffic Impact Fee	120,000	125,000	(5,000)
County Measure A	45,800	125,000	(79,200)
Storm Drain	76,700	63,900	12,800
Stair Fund	1,900	-	1,900
Disaster Assistance	11,600	-	11,600
Police Seized Assets	300	-	300
Police Grants	101,000	-	101,000
Recreation Grant Fund	65,000	-	65,000
Library Capital Improvement	1,200	-	1,200
Total Special Revenue & Capital Funds	2,701,600	2,237,200	464,400
INTERNAL SERVICE FUNDS			
Vehicle Replacement	-	615,200	(615,200)
Workers' Compensation Fund	450,000	450,000	-
Employee Benefits Fund	471,000	771,000	(300,000)
General Liability	300,000	300,000	-
Total Internal Service Funds	1,221,000	2,136,200	(915,200)
DEBT SERVICE FUNDS			
Tideland Loan	72,200	72,200	-
GO Bonds	745,000	745,000	-
Total Debt Service Funds	817,200	817,200	-
Total All Funds	\$ 31,527,700	\$ 35,189,000	\$ (3,661,300)


1. The City Council does hereby approve and adopt the City’s budget of \$35,189,000, including CIP allocation of \$496,400, for fiscal year 2020-21 consisting of appropriations, inter-fund transfers and General Fund expenditures of \$35,189,000 as set forth in all Fund Summary section of the Fiscal Year 2020-21 Budget.
2. The City Council does hereby approve and adopt the City’s budgeted revenue of \$31,527,700 for fiscal year 2020-21 and General Fund revenues of \$18,407,000 as set forth in all Fund Summary section of the Fiscal Year 2020-21 Budget.
3. The amount of the 2020-21 Fiscal Year Budget for each account area of the budget may be drawn upon in the form of warrants issued for payment of demands and certified in accordance with the provisions of California Government Code Sections 37208 and 37209.
4. The City Manager is hereby authorized to prepare an administrative budget document which further specifies the accounts for the expenditure of appropriations approved by the City Council and set forth in GANN Appropriation Limit Calculation section. The City Manager shall provide the Council with copies of this budget.

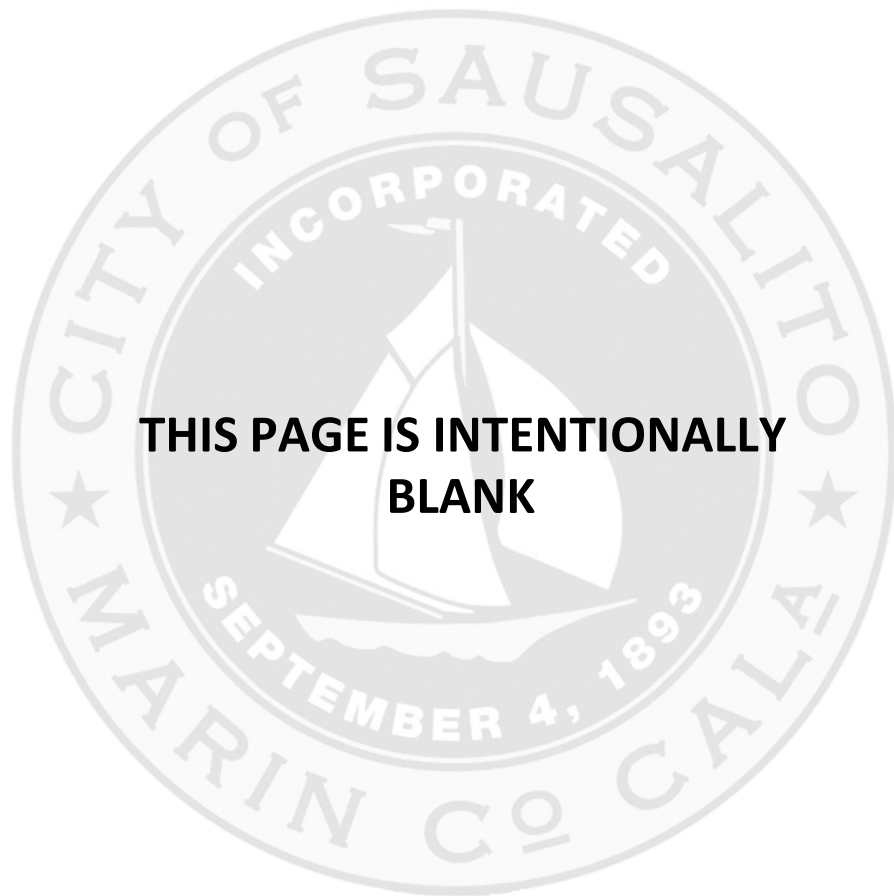
RESOLUTION PASSED AND ADOPTED, at the regular meeting of the Sausalito City Council on the 23 day of June, 2020, by the following vote:

AYES:	Councilmember:	Reilly, Burns, Cox, Withy, Mayor Cleveland-Knowles
NOES:	Councilmember:	None
ABSENT:	Councilmember:	None
ABSTAIN:	Councilmember:	None

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 SUSAN CLEVELAND-KNOWLES
 MAYOR

ATTEST:

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City of Sausalito

“Gann” Appropriations Limit

Article XIII B of the California State Constitution set an appropriations limit for governmental agencies. It became effective in Fiscal Year (FY) 1979-80 by passage of Proposition 4 (“The Gann Initiative”) and was modified by Proposition 111 in November 1989. With FY 1978-79 appropriations as the starting point, the limit is modified by the year-to-year changes both in per capita income and population, using the following alternative percentage changes for each:

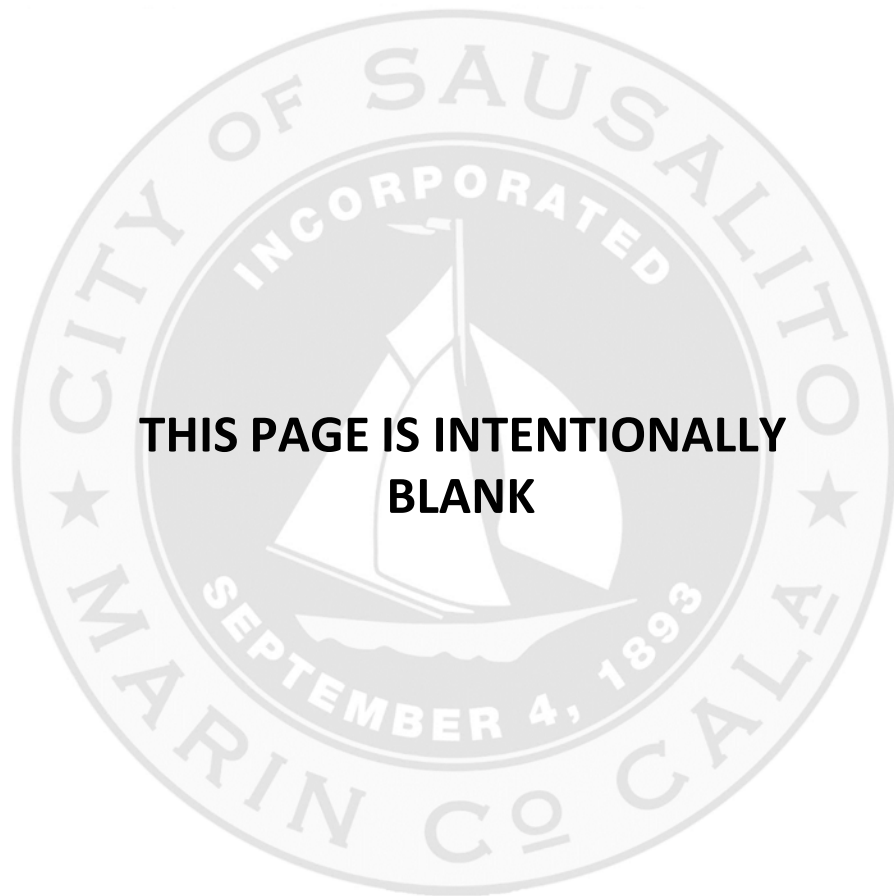
- (1) Income growth -
 - a. California per capita personal income, or
 - b. Nonresidential assessed valuation due to new construction in the city.

- (2) Population growth -
 City of Sausalito

Article XIII B also sets the guidelines as to what can be included in the appropriations limit, using “Proceeds of Taxes,” as defined in the Article, in the limit calculations.

APPROPRIATIONS LIMIT CALCULATION FY 2020-21

Per Capita Personal Income Growth	3.73%	1.0373 factor
Population Change	-0.07%	0.9993 factor
FY 2019-20 Appropriation Limit	\$15,140,892	
Calculation of factor for FY 2017-18	$1.0373 \times 0.9993 = 1.0366$	
FY 2018-19 Appropriation Limit	\$15,695,124	



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RESOLUTION NO. 5953

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAUSALITO ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020-21 PURSUANT TO ARTICLE X111 B OF THE CALIFORNIA CONSTITUTION

WHEREAS, Article XIII B of the Constitution of the State of California provides that the total annual appropriations subject limitation of each government entity, including this City, shall not exceed the appropriations limit of such entity of government for the prior year adjusted for certain changes mandated by Proposition 4 passed in November, 1979 and Proposition 111 passed in June, 1990, except as otherwise provided for in said Article XIII B and implementing State statutes; and

WHEREAS, pursuant to Article X111 B, and Section 7900 et seq of the California Government Code, the City is required to set its appropriations limit for each fiscal year; and

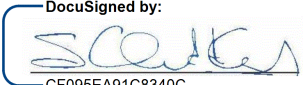
WHEREAS, the Assistant City Manager/Administrative Services Director of the City of Sausalito has conducted the necessary analysis and calculations to determine the appropriations limit for Fiscal Year 2020-21, relying on the permanent Fiscal Year 1993-94 limit approved by the voters on November 3, 1994, and the following two adjustment factors: Change in Population for the City of Sausalito and Change in Per Capita Income provided by the State of California, Department of Finance; and

WHEREAS, based on such calculations, the Assistant City Manager/Administrative Services Director has determined the said appropriations limit, and pursuant to Section 7910 of the Government Code, has made available to the public the documentation used in the determination of the limit.

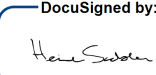
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sausalito that the new appropriations limit for the Fiscal Year 2020-21 shall be and is hereby set in the amount of **\$15,695,124.**

RESOLUTION PASSED AND ADOPTED, at the regular meeting of the Sausalito City Council on the 23 day of June, 2020, by the following vote:

AYES:	Councilmember:	Reilly, Burns, Cox, Withy, Mayor Cleveland-Knowles
NOES:	Councilmember:	None
ABSENT:	Councilmember:	None
ABSTAIN:	Councilmember:	None

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 SUSAN CLEVELAND-KNOWLES
 MAYOR

ATTEST:

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 CITY CLERK

City of Sausalito
APPROPRIATIONS SPENDING LIMIT
Prop 4 - Gann Limit FY 2021

Schedule 1: Calculation of Spending Limit

New Appropriation Limit for Fiscal Year 2019-20	15,140,892
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FY 2018 Adjustment Factors:

A. Change in Population (City from 7,301 to 7,252)	0.9993	
B. Change in Non-Residential Assessed Valuation	N/A	
C. Change in Per Capita Income	1.0373	

	1.0366	
A times C		

Total Adjustment (Dollars)	0.0366	554,232
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New Appropriation Limit for Fiscal Year 2020-21	15,695,124
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Schedule 2: Appropriations Compared to Limit

Proceeds from Taxes	(Schedule 3)	10,534,000
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Less Exclusions (G.O. Debt Payments)

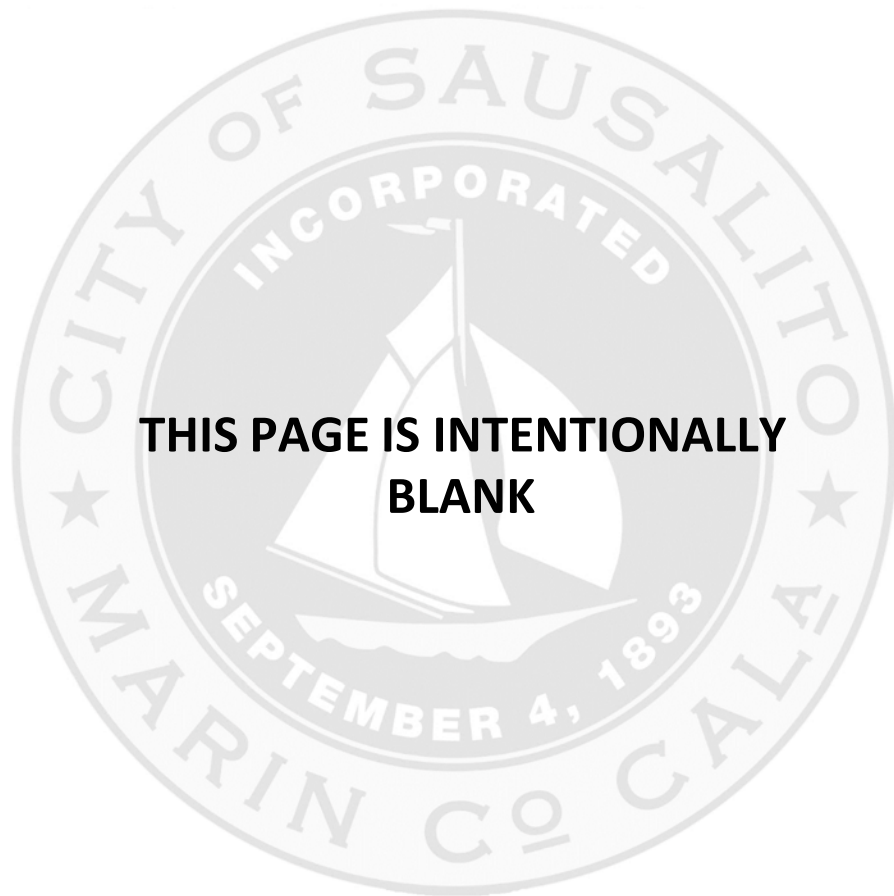
Appropriations Subject to Limit FY2020		10,534,000
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Appropriations Limit for FY2021	(Schedule 1)	15,695,124
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Amount under Appropriations Limit		5,161,124
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**Schedule 3: Determination of Proceeds of Taxes
Per Budget for FY 2020-21**

	Proceeds of Taxes	Non- Proceeds	Total
Taxes			
Property Tax	5,562,200		5,562,200
Sales Tax	2,972,000		2,972,000
SB 172 Tax	83,300		83,300
TOT Tax	624,000		624,000
Business License	1,120,500		1,120,500
State Subventions:			
Motor Vehicle in Lieu			-
Homeowners Exemption	20,000		20,000
State Reimbursements/SB 90		12,500	12,500
Booking Fee Reimbursement			-
Abandoned Vehicle Abatement		5,000	5,000
Other Revenues:			
Franchise Fees		835,100	835,100
Building/Planning Permits		680,300	680,300
Fines		331,000	331,000
Fees for Services		150,600	150,600
Parks & Recreation		325,000	325,000
Grants & Contributions		32,800	32,800
Rentals		304,000	304,000
Transfers In - not related to taxes		4,719,000	4,719,000
Miscellaneous		472,700	472,700
Sub-Total	10,382,000	7,868,000	18,250,000
Allocation of Interest			
Subtotals Percent of Total	152,000	5,000	157,000
Total General Fund	10,534,000	7,873,000	18,407,000



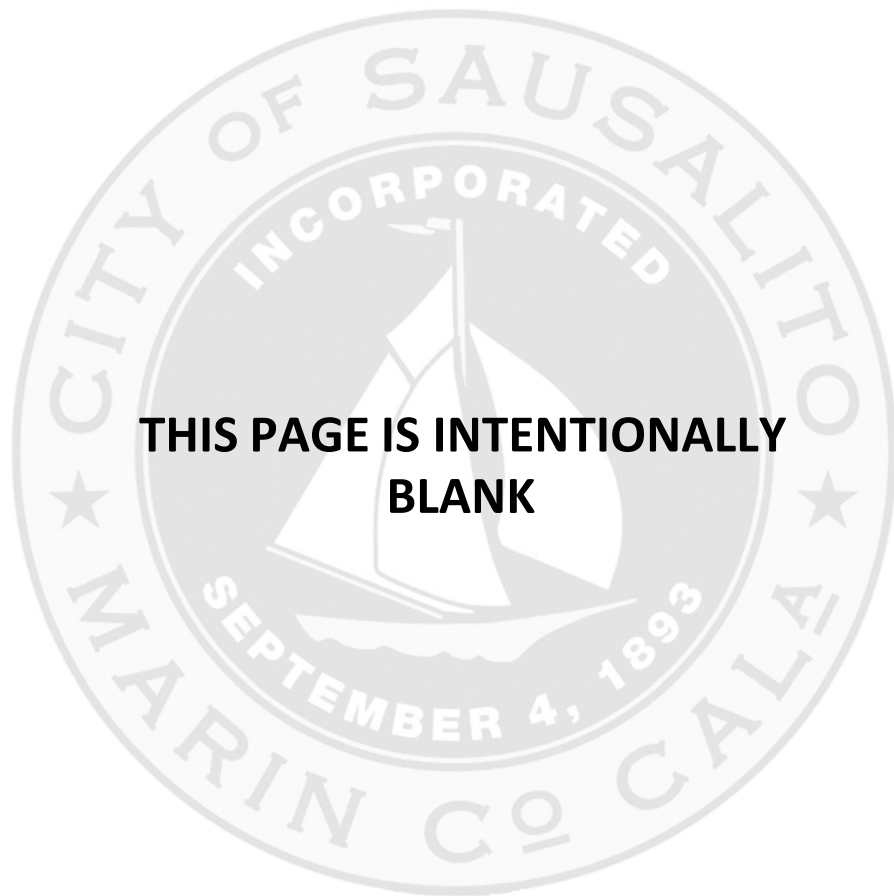
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CITY OF SAUSALITO

Budget Overview





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Basis of Budget Preparation and Budget Overview

The City Budget is the result of a thorough, lengthy, and collaborative process involving City Council leadership and City Staff expertise. The City Council sets policy direction for the budget and City staff take into consideration economic trends to forecast revenue and create a budget that accomplishes the goals of the Council while ensuring the financial stability of the City. Local, county, state, and national economic trends are among the factors considered.



BUDGET DEVELOPMENT PROCESS

City staff normally prepares a biennial operating budget covering two fiscal years which requires City Council adoption, containing revenues, appropriations and other financial information pertaining to all City operating and capital budgets. The Adopted FY2020-21 Budget only covers one fiscal year due to extraordinary economic circumstances as a result of the COVID-19 pandemic and resulting Shelter-in-Place (SIP) orders by the local and State Government. The philosophy employed in creating this budget has been to focus the City's efforts in continuing to provide quality "core" municipal services in the most efficient way possible.

This operating budget covers the 2020-21 fiscal year which runs from July 1, 2020 to June 30, 2021.

Basic Accounting

The City's accounting system is maintained on a fund basis in accordance with governmental accounting standards. Each fund is considered a separate accounting entity with a self-balancing set of accounts that record assets, liabilities, fund equity, revenue and expenditures. All governmental funds are budgeted and accounted for using the modified accrual basis of accounting, which recognizes revenues when they become susceptible to accrual - i.e., measurable and available. Expenditures are recognized when the fund expense or liability is incurred.

Budget Preparation

The annual budget cycle begins each year with the development of budget instructions, including policy directives and a budget calendar in December and is completed with the budget adoption by the City Council in June.

This year's budget cycle launched in April with the Council's mid-year review of the FY 2019-20 budget. At that time, Council reviewed revenues and expenditures adjustments, adopted a resolution authorizing adjustments to the Fiscal Year 2019-20 Operating and Capital Budget and discussed preparation for the FY 2020-21 Budget process.

The Assistant City Manager/Administrative Services Director provides guidance to departments, prior to preparation of department budgets, related to economic outlook and parameters for budgeting.

Budget projections are submitted by department heads to the Finance Department. The Assistant City Manager/Administrative Services Director submits the draft recommended City budget to the City Manager for review.

Staff took Council priorities into account during the budget development process, and every new programmatic addition to the budget was viewed and presented in light of Council priorities and strategic elements.

Council held budget study sessions in May and June to review and discuss budget options for the FY 2020-21, before finally adopting the budget on June 23, 2020.



Budgetary Control

The City utilizes the following procedures to establish budgetary control:

1. The City Manager submits to the City Council a proposed balanced operating and capital budget for the following fiscal year.
2. After a review by the City Council, a public hearing is conducted, and further comment is received from the City Council and general public.
3. Upon completion of the hearings and modifications, if any, to the proposed budget, it is adopted by the City Council through passage of an appropriate resolution.
4. Generally, the budget is amended in the middle of the year and at the end of the year. All approved additional appropriations are added to the adopted budget and an amended budget is presented to the City Council, which adopts it after due review.
5. The City Manager is authorized to transfer budget amounts of operational expenditure categories within funds as deemed necessary in order to meet the City's operational needs.
6. City Council approval is required for all inter-fund transfers, fund reserve to appropriations transfers, new revenue sources with offsetting appropriations, and for transfers to/from the capital expenditure category. The legal level of budgetary control of the City Council is at the fund level. This is the level that City management cannot overspend the budget without approval from the City Council.

The City Council holds public budget study sessions and adopts the City operating and capital budget no later than June 30th of each year.

The philosophy employed in creating this budget document has been to focus the City's efforts in continuing to provide quality municipal services, as well as the timely addressing of key

infrastructure needs. This year’s budget preparation was extremely challenging due to unknown loss of General Fund revenues from business closures due to COVID-19 pandemic.

The City’s budget goals are to achieve a balanced budget with operating revenue, including reimbursements from other funds for services provided, equal to or greater than operating expenditures (including debt service).

Ultimately, the City’s financial position and the resources in each fund will determine the level of services and the projects that the City will be able to deliver to the community in the upcoming fiscal year. These services and projects are included in the adopted annual budget.

BUDGET METHODOLOGY

The FY 2020-21 Adopted Budget is the result of an inclusive and interactive budget development process. In preparation of the FY 2020-21 Adopted Budget, staff factored in the Council’s adopted Strategic Plan and input received from the Council priority setting workshop, proposed Capital Improvement Plan, as well as FY 2019-20 mid-year budget review and Council’s direction throughout the year. During the 2020-21 budget preparation cycle, the Council requested and staff presented the projected revenues for all City funds based on three economic scenario as described earlier. Ultimately the Council recommended to use “Most Probable” economic scenario to develop the City’s FY 2020-21 base budget for all City funds.



During the FY 2019-20 budget process, staff implemented a modified zero-based budget methodology and will continue using this methodology for the FY 2020-21 budget. This methodology is a systematic financial management strategy, commonly used by local governments, which will help achieve a more cost-effective delivery of public services. Expenses must be demonstrated as necessary based on current service level and are not assumed to carry over from prior years. Each new program is considered in light of potential alternatives and priorities that will allow the City to redirect efforts and funds from lower priority to higher priority programs.

Each department was provided a base budget expenditure allotment consistent with the authorized FY 2020-21 Budget, adjusted by known personnel salary and benefit increases, and a 3.0% inflationary increase for professional services contractual obligations and 2% increase for other operating expenses. Each department was then given an opportunity to submit prioritized program changes for service enhancements or reductions to the base budget.

The goal of this process is to identify necessary and/or desirable service increase or reduction options, which combined will reach a balanced and sustainable budget. To this end, the City Manager reviewed department requests and formulated a packaged budget recommendation of enhancements for Council’s consideration. Staff recommendations are based on many considerations, including the City’s strategic plan, staffing capacity, and potential impacts to the overall City operation and services provided to the community.

Base Budget Assumptions

The base budget is not an exact duplicate of the Adopted or Amended FY 2019-20 Budget because of the impact of COVID-19 related restrictions imposed by local authorities on the City businesses and residents. It was also very difficult to project the end of those restrictions and return to normal living and business conditions. Based on Council direction, staff used three financial scenarios to project General Fund's major revenue sources. These assumptions are described in detail in the materials for the budget study session on April 28, 2021.



Financial Scenarios

The General Fund is the City's primary operating fund and is used to account for most day-to-day activities. It receives unrestricted revenues and provides the City's general administrative services, law enforcement, public works, parks and recreation, library, and community development-related activities such as planning, building, and engineering. Revenue sources include but are not limited to property tax, sales tax, transient occupancy tax (TOT), business registration, and current fees for services such as parking charges, engineering, planning, and building permit fees, and recreation services.

Staff developed the General Fund's base budget revenues using the following three scenarios impacting the City's tax-based revenue sources and program revenues

Bad (most optimistic)

- The COVID-19 Shelter-in-Place mandate is lifted before the end of June 2020;
- Most local serving businesses would return to operating near normal by August 2020;
- The U.S. avoids a recession, and the stock market returns to 90% of former highs by Year-End 2020;
- The unemployment rebounds to roughly 6% from the current 15% by September 2020;
- Leisure travel returns to 50% of normal in the second half of 2020, 75% by first-half of 2021, and 100% by the second half of 2021. This includes international travelers;
- The real estate market would remain moderately strong based on the lower interest rates and stock market performance;
- The City's major tax revenues, such as Sales Tax, would be at the FY 2019-20 midyear Revised level, and the TOT would fall 14% lower than the Revised FY 2019-20 budget
- The City's major tax revenues, such as Sales Tax and Transient Occupancy Tax, would be around 25% lower than the Revised FY 2019-20 levels;
- There is no major impact on the City's largest revenue source - Property tax, as it is based on the assessed valuation levied on January 1, 2020. There will be a minimal negative impact on property tax revenues because of potential appeals by property and small business owners.

Worse (most probable)

- The COVID-19 Shelter-in-Place mandate is partially lifted before the end of June, but with ongoing restrictions that hamper businesses through the end of 2020;
- Local serving businesses operate at 50% of the prior performance based on restrictions (spacing in restaurants, restrictions on the number of people inside buildings, etc.) through 2020, return to 75% by the first half of 2021, and 100% by second-half of 2021;
- The U.S. economy enters a prolonged recession well into 2021, and the stock market flat-lines at current levels for the next 12 months;
- The unemployment rate slightly improves to 10% by September 2020;
- Leisure travel is relegated to local tourism, mostly resulting in 50% of what is achieved in scenario 1, and international travel is at 25% of historic levels;
- The real estate market will decline from historical levels mainly due to less demand for housing because of household income decline and poor stock market performance;
- The City's major tax revenues such as Sales Tax and TOT would be around 25% and 50%, respectively, lower than the "Bad" or Most Optimistic scenario;
- There is no major impact on the City's largest revenue source - Property tax, as it is based on assessed valuation levied on January 1, 2020. However, the projections include estimated lower tax receipts to reflect tax relief for homeowners and small business owners.



Ugly (most fearful)

- The COVID-19 Shelter-in-Place mandate is partially lifted this summer, but the pandemic returns in early fall, and the Shelter-in-Place is reinstated for the remainder of 2020;
- Local serving businesses struggle with 25% closure rate, high vacancies by 2021;
- The U.S. economy enters a deep recession/depression in the second half of 2020, and the economy struggles for the next three years;
- Unemployment increases to 15-20% for the balance of 2020; the stock market further declines from current levels;
- Leisure travel is at 20% of normal, and international leisure travel plummets to 10% of historic levels;
- Real estate market would be severely hurt mainly due to less demand for housing because of household income decline and poor stock market performance;
- The City's major tax revenues, such as Sales Tax and TOT combined, would be around 56% lower than the "Bad or Most Optimistic" scenario;
- The City's major tax revenues, such as Sales Tax and TOT, would be around 75% lower than the historical levels;
- There is no major impact on the City's largest revenue source - Property tax as it is based on assessed valuation levied on January 1, 2020. However, the projections include \$1.0 million lower tax receipts to reflect higher tax relief for homeowners and small business owners.

For the purpose of this analysis, staff targeted scenario # 2 (“Worse most probable”) as the most probable for the FY 2020-21 Base Budget, which is further described in the revenue assumptions below. However, the other two scenarios are also presented in the table below for comparison.

General Fund Revenues							
			Most Optimistic	Most Probable	Most Fearful		
	Actual FY 2018-19	FY 2019-20 Revised	FY 2020-21 Bad	FY 2020-21 Worse	FY 2020-21 Ugly	\$ Change Worse Over Revised	% Change Worse Over Revised
Property Tax	5,685,073	5,566,834	6,043,200	5,562,200	4,783,200	(4,634)	0%
Sales Tax	3,607,786	2,986,248	3,005,700	3,055,300	1,493,500	69,052	2%
TOT	1,862,675	1,435,476	1,246,000	624,000	396,000	(811,476)	-57%
Business License	631,060	1,510,500	1,508,700	1,120,500	745,900	(390,000)	-26%
Permits	1,012,966	646,756	616,000	680,300	366,000	33,544	5%
Franchise Fees	836,969	811,769	835,100	835,100	735,100	23,331	3%
Fines	676,406	330,042	477,000	331,000	242,300	958	0%
Parks & Rec Fees and Rentals	510,298	341,305	340,400	476,300	245,700	134,995	40%
Other Rentals (cell towers, art fest)	285,703	295,000	304,000	304,000	304,000	9,000	3%
Investment Earnings	237,295	239,412	209,500	157,000	105,000	(82,412)	-34%
Fees for Services	219,799	153,340	154,600	150,600	76,500	(2,740)	-2%
Grants & Contributions	1,033,274	37,894	26,000	32,800	15,500	(5,094)	-13%
Intergovernmental	39,349	27,500	37,500	37,500	33,400	10,000	36%
Other Misc. Revenue	65,900	32,683	32,500	321,400	26,000	288,717	883%
Sub-total	16,704,552	14,414,760	14,836,200	13,688,000	9,568,100	(726,800)	-5%
Transfers In	2,821,266	3,045,000	2,347,500	4,719,000	1,621,000	1,674,000	55%
Total	19,525,818	17,459,760	17,183,700	18,407,000	11,189,100	947,240	5%

Base Budget General Fund Revenue Assumptions

- **Total General Fund revenue** of \$13.7 million based on “Most Probable” scenario shows a decrease of \$726,800 (5.0%) from the FY 2019-20 Revised Budget of \$14.4 million, primarily due to projected loss of tax-based revenue sources (especially Sales, Business License, and TOT taxes) primarily because of business closures instituted by the State and local governments to address the COVID-19 pandemic. In addition, fees-based revenues such as planning/Permit Fees, Recreation classes, and special events revenues would also negatively suffer due to restrictions imposed to fight the pandemic.
- **Property Tax** is the City’s largest revenue source. They are projected between \$6.0 million and \$4.8 million under the three scenarios. Per the most probable scenario, property tax revenues are estimated at \$5.6 million, or \$4,634 lower than the FY 2019-20 Revised Budget based on estimate provided by the City’s property tax consultant HdL Companies. Both secured and unsecured property taxes are levied based on the assessed real property valuation (the basis for property tax levy) as of January 1, 2020, which means that the COVID-19 would have no impact on City’s FY2020-21 property taxes. However, homeowners and small business owners can file an appeal with Marin County’s Assessor Office to lower their assessed valuation based on their business losses because of COVID-19. The ‘Worse or Most Probable’ scenario includes \$0.5 million loss in property tax revenue resulting from a partial approval of appeals. Under the ‘Ugly’ scenario’, the provision for successful appeals is estimated by \$1.0 million.

- **Sales and Use Tax** is the City's second-largest revenue source. Based on discussions with City's sales tax advisor and sales tax projections prepared by HdL Companies, the local sales activities forecast a dramatic drop in the point-of-sale activity resulting from the current shelter-in-place orders and uncertainty over its eventual ending or reoccurrence in 2020 fall as projected by various scientist and medical experts. As a result, it poses a challenge for sales tax consultants or City staff to project a credible sales tax revenue forecast.

Using FY2019-20 Revised Budget of \$3.0 million as a base, the FY2020-21 projected sales tax range from a high of \$3.0 million, which is our most optimistic scenario to a low of \$1.5



million as most fearful development. Per the most probable economic scenario, sales tax revenues are estimated at \$3.0 million, which is at the same level compared to FY 2019-20 Revised Budget which also reflects COVID-19 and SIP related business loss during 4th quarter of the fiscal year. The projections will change as more information is available on the re-opening of National, State, or local economy and tourist activities. The 'Most Probable' scenario projects businesses running between 75% to 100% capacity levels during the 1st half of 2021 resulting in ambitious level of sales tax receipts in the second half of FY 2020-21.

- **Transient Occupancy Tax (TOT)** is the third-largest revenue source for the City and is hardest hit by the current or possible future shelter-in-place scenarios, as described in three financial scenarios. Under each of these scenarios, national and international tourism would take a hard hit, which would negatively impact the City's hotel/motel occupancy and TOT revenues, which range from \$1.2 million to \$0.4 million under three scenarios. The most probable scenario forecast is at \$0.6 million, a decrease of \$0.8 million or 57% compared to FY2019-20 Revised Budget due to a significant drop in travel and tourism activities projected during the fall and winter of 2020.
- **Business License Tax** receipts are estimated to decrease \$390,000 or 26% compared to FY2019-20 Revised Budget per the most probable scenario. The bulk of business license receipts are based on local business gross receipts, and they are likely to take a hit in all three financial scenarios
- **Permits** are projected to increase \$33,500 or 5% based on assumptions included under 'Most Probable' scenario which projects normal level of building permit activity during the COVID-19 conditions. Other major factor for increase is related to City introducing new fees for various categories of permits.
- **Park and Recreation Fees and Rentals** are projected to increase by \$134,500 or 40% compared to FY2019-20 budgeted levels, which were also adjusted downward at midyear budget review due to closures and cancelations of recreation classes and programs. As described in the most probable scenario, all City leased facilities would be open for

business at the start of FY2020-21, and recreation classes and activities will slowly return to its normal level. Please note that this may change if shelter in place is extended to the rest of 2020 based on the most fearful scenario. The City is also offering new Summer Classes which is projected to bring additional revenues.

- **Investment Earnings** are projected to drop by \$82,000 or 34% due to a decrease in portfolio balances resulting from lower revenues and deferral of sales tax receipts per the State program for small businesses. The interest rates on investment are also projected to be lower due to recent Fed actions.
- **Other Miscellaneous Revenues** project an increase of \$289,000 compared to FY 2019-20 Revised Budget. To offset General Fund Revenue losses due to COVID-19, the City has entered into service agreements with other cities/agencies to provide library and engineering services which is the main source of this increase in FY 2020-21.
- **Transfers In** to the General Fund are being increased by \$1.6 million under the most probable scenario to reflect a loss in parking revenues due to lower tourism activities. The Base FY2020-21 budget indicates that only \$2.1 million will be collected for the year under the most probable' scenario, triggering a reduction of the General fund transfer. The lower transfers also reflect projected decline in rental revenues in other non-general funds such as Tideland, MLK, and Old City Hall funds, which would result in a reduced level of transfers to the General Fund.

To offset the revenue loss to the General Fund, the staff proposed and Council approved one-time transfer of \$2.5 million from Parking, Vehicle Replacement, and Employee Benefit funds using their accumulated fund balances.

Base Budget General Fund Expenditure Assumptions

Expenditures	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget	% Change FY20-21 vs FY19-20
Salaries & Benefits	\$10,293,900	\$10,564,700	\$11,989,500	\$12,195,500	2%
Contract Services	\$2,064,300	\$2,288,300	\$2,936,300	\$2,520,400	-14%
Materials & Supplies	\$2,081,700	\$2,270,100	\$2,495,600	\$1,858,600	-26%
Transfers Out	\$1,650,900	\$2,951,100	\$3,376,800	\$1,609,100	-52%
Total	\$16,090,800	\$18,074,200	\$20,798,200	\$18,183,600	-13%

- **Total General Fund expenditures** of \$18.2 million is a decrease of 13% compared with the revised FY 2019-20 budget.
- **The Fire portion of the Unfunded Actuarial Accrued Liability (UAAL)** contribution to CalPERS increased by \$43,900 from \$549,000 to \$592,900 per CalPERS actuarial report
- **Code Enforcement Services** had an additional \$86,645 included in the professional services category of the Community Development Department to account for the ongoing services omitted in the previous fiscal year
- **Special Events expenditures** were reduced due to the cancelation of FY 2020-21 events such as the July 4th Fireworks and Picnic and Jazz by the Bay

- **Measure O** - The capital transfer of \$353,000 from Measure O was built into the FY 2020-21 Base Budget per the proposed CIP program for the upcoming year
- **Contract Services** were increased by 2% compared with the previous year to account for the cost of living increase
- **Materials and Supplies** were increased by 1.5%

In the subsequent budget meetings, staff revised and modified the base budget revenue and expenditure assumptions based on the new financial information and forecast that became available from MuniServices and HdL financial consulting firms, which resulted in slightly reducing the General Fund structural deficit to \$4.3 million. These adjustments are listed in the materials for the budget study session on May 12, 2021.

**FY2020-21 GENERAL FUND BASE BUDGET
STRUCTURAL DEFICIT**

	FY 2020-21 Base Budget	FY 2020-21 Modified Base
Revenue	14,374,000	15,348,900
Total Operating Expenditures*		
Operating Expenditures	18,018,000	18,089,000
Operating Transfers (Including OPEB & Pension)	1,212,800	1,212,800
Total Operating Expenditures and Transfers	19,230,800	19,301,800
Structural Surplus/ (Deficit)	(4,856,800)	(3,952,900)
Capital (CIP) Transfers Out		(352,940)
Net Change	(4,856,800)	(4,305,840)

Although this was definitely positive news, unfortunately, the overall structural problem remained very significant, as the general revenues still could not support operating expenditures without taking severe programmatic measures to balance the budget.

At the budget study sessions, City Council used an analogy for a three-leg-stool approach to the budget deficit, with one leg of the stool being any one-time uses of available fund balances, and the other two legs being program reductions of personnel and other operating budgets. Although we intend to balance the budget without relying on Federal and/or State financial subsidies, these relief funds, if/when received, would provide a crucial boost for the economic recovery and will serve as the fourth leg in our stool metaphor. The table below showed fund balances available for one-time use to reduce the deficit to a little under \$1.5 million.

		Remaining Fund Balance
Projected Structural Deficit	(3,952,900)	
One-time Use of Fund Balances		
Parking Fund	1,500,000	679,000
Vehicle Use	500,000	443,000
Employee Benefit Fund	300,000	100,000
MLK	200,000	2,148,000
Total One-time Fund Balance Use	2,500,000	
Remaining Structural Deficit	(1,452,900)	

Budgetary Reserves

On June 23, 2020, City Council adopted a structurally balanced FY 2020-21 Budget that resolved the projected structural deficit and projected the net change to the General Fund ending balance of \$223,400 applied towards the COVID Resurgence Reserve designation of \$1.5 million to mitigate the threat of COVID-19 return in the fall, also approved by City Council.

FY2020-21 PROPOSED BUDGET

	FY 2020-21 Base	FY 2020-21 Modified Base	FY 2020-21 Proposed
Revenue	14,374,000	15,348,900	18,407,000
Total Operating Expenditures*			
Operating Expenditures	18,018,000	18,089,000	16,574,500
Operating Transfers (Including OPEB & Pension)	1,212,800	1,212,800	1,112,800
Total Operating Expenditures and Transfers	19,230,800	19,301,800	17,687,300
Structural Surplus/ (Deficit)	(4,856,800)	(3,952,900)	719,700
Capital (CIP) Transfers Out	-	(352,900)	(496,300)
One Time Trsfr to COVID-19 Resurgence Reserve			(223,400)
Net Change	(4,856,800)	(4,305,800)	-

*Total Operating Expenditures do not include CIP and other one-time transfers

The Government Finance Officers Association (GFOA) has issued its best practice in determining the appropriate level of unrestricted fund balance in General Fund to be at a minimum of no less than two months of regular general fund operating revenues or expenses, which would equate to approximately 17% for the City.

The City's Fund Balance Policy identifies fund balances (or reserves) which fall into the following categories: *non-spendable* items or portions of fund balance that cannot be liquidated, *restricted* amounts for use by outside agencies, *committed* amounts by Council action such as emergency /contingency reserves and *assigned* balances to pay off unfunded liabilities and to fund infrastructure improvements.

In accordance with GASB Statement No. 54 requirements and the City policy, the Council established the following designations or contingencies of General Fund Committed Balance:

- Mudslide Clean-up Designation of \$50,000
- Budget Stabilization Reserve of 5% of operating expenditures (\$0.9 million)
- Budget Shortfall Reserve of 10% of operating expenditures (\$1.8 million)
- COVID-19 Resurgence Reserve of approx. two months of General Revenues (\$1.5 million)

Maintaining a sufficient level of the projected ending fund balance is necessary for fiscal and operational sustainability. It is especially critical in the current uncertain economic situation, especially if the financial assumptions that were used to develop the FY 2020-21 Budget need to be adjusted for the worse. To mitigate the City's vulnerability in a period of historical volatility and uncertainty, the Council established a separate "shutdown" or "COVID-19 Resurgence Reserve"

of \$1.5 million. This action reduced the undesignated General Fund balance from \$3.4 million or 19% of the operating expenditures to \$1.8 million or 10%.

The chart below shows the General Fund balance for the FY 2020-21 Budget. Total operating expenses are also listed to demonstrate the percentage level of reserves.

The City has a balanced FY 2020-21 Budget with an ending undesignated General Fund Balance of \$1.8 million or 10% of operating expenses, in addition to \$7.7 million in operating contingencies and General Fund designations, which meets and exceeds the GFOA guidelines.

**FY2020-21 Budget
General Fund (Restricted & Unrestricted Balances)**

Designations	FY2019-20 Revised Budget	FY 2020-21 Adopted Budget
Beginning Fund Balance	\$ 12,571,770	\$ 9,233,400
Total Revenue	17,459,800	18,407,000
Total Expenditures	20,798,200	18,183,600
Ending Fund Balance	9,233,370	9,456,800
Non-Spendable	1,676,420	1,676,400
Restricted Reserves (Pension)	1,788,163	1,788,200
Operating Contingency		
Mudslides Cleanup Designation	50,000	50,000
5% Budget Stabilization Policy	913,965	884,400
COVID-19 Resurgence		1,500,000
10% Shortfall Policy*	1,008,430	1,768,700
Total Designations	5,436,978	7,667,700
Undesignated Fund Balance	3,796,392	1,789,100
Operating Expenses	18,279,300	17,687,300
Undesignated Fund Balance as % of Op. Expenses	21%	10%

*The 10% Shortfall Policy line-item was partially used to balance FY2019-20 Budget at mid-year review & has been now restored back to 10% policy limit for the FY2020-21 Budget

Conclusion

The COVID-19 pandemic is having an unprecedented impact on our nation and local economy and resulted in a projected \$4.3 million deficit to the City of Sausalito General Fund Budget for FY2020-21.

Locally, many community members have lost their jobs or are at risk of losing their housing. Many businesses and restaurants that have closed during the crisis will not reopen, while others will open with density and distancing requirements that will limit sales and consequently reduce City revenues. Continuing restrictions on schools and workplace will also limit the volume of economic activity in a wide variety of sectors during a gradual reopening. These impacts will combine to diminish City revenue sources throughout the course of phased resumption of economic activity.

The gradual path to reopening entails a very different and uncertain future for gatherings and events, calling into doubt the future feasibility of many traditional City services and programs, from Library and recreational classes and programs to cultural and artistic gatherings.

The City government has to account for the uncertainty and challenges of operating such services, and cannot rely on revenues being generated from fee-based programs.

The nearly complete lockdown of the economy is unprecedented and makes predicting the course of this recession difficult. Due to this uncertainty, economists' views on recovery vary widely. Some project a "V" shape recession with a steep immediate decline but of short duration with quick bounce back by the third or fourth quarter of 2020.

Others anticipate more of a "U" shaped recession with a long period of a slowdown before eventual recovery, a curve similar to that of the Great Recession that lasted approximately 19 months. Some even are forecasting an "L" shaped economy with a period of slowdown for years or decades under the assumption that the economy and social order have been so drastically changed that they may never recover to pre-COVID-19 levels. The economic challenges posed by the pandemic will likely hit California even harder than the rest of the nation. California, and Sausalito specifically is heavily dependent on tourism, which may not recover to pre-COVID-19 levels for three to four years. A recent UCLA forecast on the State economy projected that unemployment would exceed 16% and not return to pre-COVID-19 levels until at least 2022. Steep declines are projected in taxable sales and personal income, which will only increase stress on local government finances.

Despite all unique challenges that this pandemic presents, like any typical crisis, the COVID-19 disaster can be structured into the following three phases:



The challenges before us are immense, Sausalito has demonstrated it is prepared to act quickly to respond to our community needs, with a prime focus on health and safety, emergency response, and economic recovery. The City has been managing the situation by responding to the crisis and communicating to all stakeholders on the course of actions taken. Our first priority is to protect public health and safety, but the other two phases, "recover" and "thrive", call for the need to learn as we go. Learning how to turn a crisis into an opportunity, to move forward and create more value rather than just bounce back to the status quo, and to identify the shape of a "new normal" and allocate resources accordingly. Resilient leadership with the ability to act and adapt quickly is the necessary key to recover and thrive. We are a strong community built on values of resilience, safety, stewardship, accountability, inclusion, equity, and innovation. It will take time, but with the right plan and a focus on the future, Sausalito will rebuild and thrive.

A Harvard Business Review assessment of corporate performance during the past three recessions found that of the 4,700 firms studied, those that cut costs fastest and deepest had the lowest probability of outperforming competitors after the economy recovered. In other words, the most likely winners of any recession are those organizations that strike the right balance between short and long-term strategies by investing in the future while selectively reducing the cost to survive.

It is imperative that through the FY 2020-21 budget resources allocation, the City utilizes the right balance of one-time and ongoing measures to balance the budget and remain fiscally sustainable as we adapt to what may be the long-term new normal.

The Adopted FY 2020-21 Budget is balanced and reflects the City Council's direction and priorities in applying balancing strategies in response to COVID-19. Fiscal sustainability will remain the City's high priority in the upcoming year and beyond. To that end, staff will continue to seek ways to provide quality services to the public. At this time, like many cities, we are not anticipating a significant or timely federal bailout. While we have initiated the process to apply to FEMA for disaster reimbursement funds, those funds are strictly addressing COVID-19 expenses. While these funds will be welcomed, the real cost of the COVID-19 fiscal disaster comes from the wear and tear on our staff and the loss of revenues, which so far have not been addressed in Federal stimulus funding. Staff is closely monitoring the situation in Washington and Sacramento, but we cannot assume that significant assistance will be forthcoming. For these reasons, we must as a City meet the fiscal challenges we face.



While the City's values have not changed, our ability to fund and operate nonessential programs, capital improvements, and current staffing levels have. Some of the proposed changes are painful and may not appear to be fair or equitable. However, they must be made to limit impacts as the City looks to long-term sustainability. As a result of needing to refocus our energies, expertise, and resources (time, money, and people), the City must suspend work that does not address our community's pressing needs today. This includes reducing the City organization in both scope and size and providing services differently.

As the economic crisis evolves, staff will continue researching alternative service models, including consolidation, outsourcing, and regionalization. This includes potential shared services agreements with neighboring communities. Some of this work is already underway and included in the Proposed Budget, like shared services with the City of Mill Valley for project management, engineering, and other services, or previously reported progress on shared services initiatives in the Police Department.

More significant savings may be realized by pursuing alternative service models that would shift some of the current in-house functions to the contract model in the future. The structural program changes of that nature would require significantly more time to formulate, as these would include complex factors outside of the City's control, including third party negotiations, bidding procedures, and negotiations with the labor unions. It is very likely that these additional options will be needed to balance the following year's FY 2021-22 Budget, as the one-time use of fund balances will no longer be available, and if the economy does not bounce back, which is our

current working scenario. Also, it will likely take the entire FY 2020-21 or longer to formulate and work through the details of each alternative service delivery model.

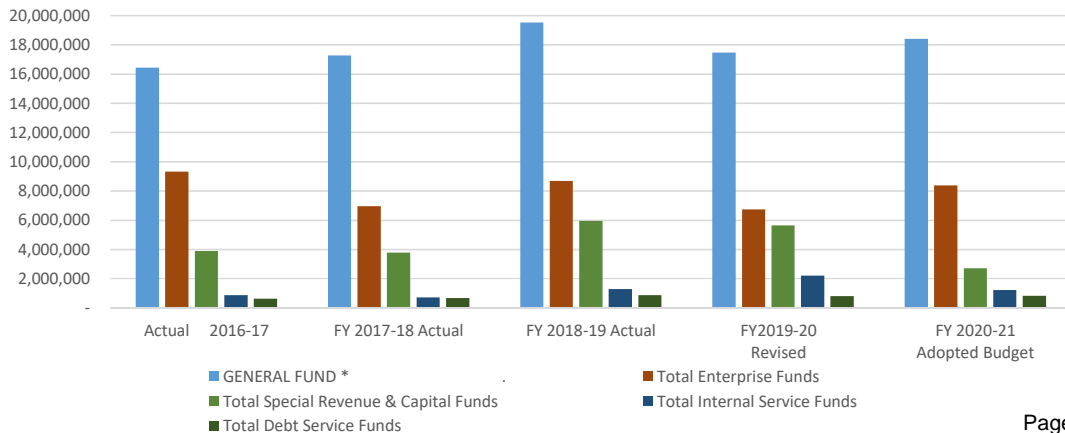
Staff is also mindful of a number of other upcoming fiscal challenges that may impact the City's budget and future sustainability. These challenges include the COVID-19 impact on the State and Federal Budget that may negatively affect local governments; prospects of a long-term economic downturn coupled with a possible resurgence of COVID infection rates taking an unpredictable course; and unfunded liabilities related to pension and OPEB that will significantly increase the City's reported liability. The last item is especially concerning given that the PERS portfolio has experienced significant losses during the past months, which will further increase the unfunded liability owed and, therefore, the annual contribution amounts owed by the City. The losses suffered this year will impact PERS rates in FY 2022-23.

The staff looks forward to continued work with the City Council and the community to address the financial challenges and identify operational opportunities and efficiencies, assess appropriate fee structure, pursue acceptable economic development opportunities and advise on alternative revenue options available to the City and the community to facilitate economic recovery and ensure the continuing high quality of life for the residents and visitors of the City of Sausalito.

**City of Sausalito
FY2020-21 Budget
Summary of Revenue & Transfers by Fund**

Fund Name	FY 2017-18 Actual	FY 2018-19 Actual	FY2019-20 Revised	FY 2020-21 Adopted Budget
GENERAL FUND *	17,272,600	19,525,800	17,459,800	18,407,000
ENTERPRISE FUNDS				
110 Sewer Operating/Capital	2,763,100	2,853,200	2,936,900	4,566,400
113 Old City Hall	238,400	240,200	244,800	247,000
210 MLK	1,440,300	2,952,000	1,367,300	1,276,800
220 Parking	2,503,700	2,642,400	2,190,800	2,290,700
Total Enterprise Funds	6,945,500	8,687,800	6,739,800	8,380,900
SPECIAL REVENUE FUNDS				
140 Capital Improvements	2,028,000	3,757,000	3,892,498	1,283,400
114 Tidelands	879,000	855,000	935,300	758,100
120 Traffic Safety	8,500	7,700	30,000	30,000
121 Gas Tax	155,600	151,100	188,200	206,600
122 Construction Traffic Impact Fee	246,700	271,500	180,000	120,000
124 County Measure A	171,600	436,600	80,000	45,800
125 Storm Drain	71,700	72,100	74,500	76,700
126 Stair Fund	1,500	2,500	-	1,900
130 Disaster Assistance	9,500	15,500	-	11,600
133 Police Seized Assets	300	500	-	300
134 Police Grants	145,200	281,800	195,000	101,000
136 Recreation Grant Fund	59,900	86,900	65,000	65,000
115 Library Capital Improvement	1,000	1,600	-	1,200
Total Special Revenue & Capital Funds	3,778,500	5,939,800	5,640,500	2,701,600
INTERNAL SERVICE FUNDS				
240 Vehicle Replacement	108,800	16,500	-	-
250 Workers' Compensation Fund	363,600	1,400	1,359,800	450,000
260 Employee Benefits Fund	240,200	1,259,200	505,700	471,000
270 General Liability	100	(600)	328,400	300,000
Total Internal Service Funds	712,700	1,276,500	2,193,900	1,221,000
DEBT SERVICE FUNDS				
302 Tideland Loan	72,200	72,200	72,200	72,200
303 GO Bonds	598,700	791,800	734,000	745,000
Total Debt Service Funds	670,900	864,000	806,200	817,200
Total Other Funds	12,107,600	16,768,100	15,380,300	13,120,700
Total All Funds	29,380,200	36,293,900	32,840,100	31,527,700

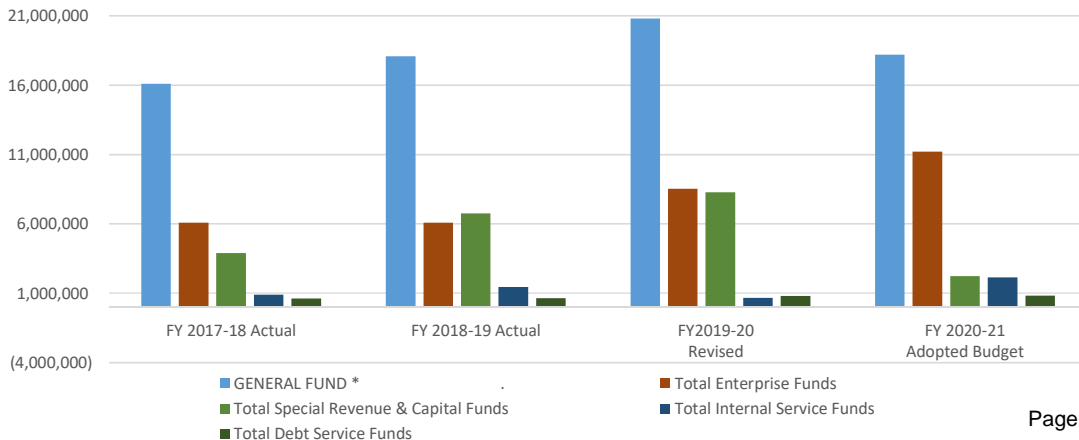
* City Council authorized staff to use \$2.5 million from the unrestricted fund balances of Parking, Vehicle Use, Employee Benefit, and the MLK Funds to help balance the General Fund



**City of Sausalito
FY2020-21 Budget
Summary of Expenses & Transfers by Fund**

Fund Name	FY 2017-18 Actual	FY 2018-19 Actual	FY2019-20 Revised	FY 2020-21 Adopted Budget
GENERAL FUND *	16,090,800	18,074,200	20,798,200	18,183,600
ENTERPRISE FUNDS				
110 Sewer Operating/Capital	2,555,800	1,923,600	3,658,600	6,229,200
113 Old City Hall	258,400	253,400	235,000	235,200
210 MLK *	1,003,600	863,500	1,575,800	949,600
220 Parking *	2,261,200	3,034,600	3,046,000	3,779,200
Total Enterprise Funds	6,079,000	6,075,100	8,515,400	11,193,200
SPECIAL EXPENSE FUNDS				
140 Capital Improvements	2,639,600	4,912,500	5,796,500	1,208,400
114 Tidelands	615,400	727,000	890,300	628,900
120 Traffic Safety	45,100	52,100	27,000	-
121 Gas Tax	102,400	125,800	525,000	86,000
122 Construction Traffic Impact Fee	165,000	185,000	180,000	125,000
124 County Measure A	50,000	205,000	-	125,000
125 Storm Drain	72,800	71,000	68,500	63,900
126 Stair Fund	-	-	-	-
130 Disaster Assistance	-	-	575,000	-
133 Police Seized Assets	-	-	-	-
134 Police Grants	154,700	162,500	149,500	-
136 Recreation Grant Fund	38,900	318,200	55,000	-
115 Library Capital Improvement	-	-	-	-
Total Special Revenue & Capital Funds	3,883,900	6,759,100	8,266,800	2,237,200
INTERNAL SERVICE FUNDS				
240 Vehicle Replacement *	169,600	109,500	125,000	615,200
250 Workers' Compensation Fund	717,900	(85,300)	409,800	450,000
260 Employee Benefits Fund *	12,300	1,149,600	461,100	771,000
270 General Liability	100	274,500	(328,417)	300,000
Total Internal Service Funds	899,900	1,448,300	667,483	2,136,200
DEBT SERVICE FUNDS				
302 Tideland Loan	72,200	72,200	72,200	72,200
303 GO Bonds	536,700	567,300	734,000	745,000
Total Debt Service Funds	608,900	639,500	806,200	817,200
Total Other Funds	11,471,700	14,922,000	18,255,900	16,383,800
Total All Funds	27,562,500	32,996,200	39,054,000	34,567,400

* City Council authorized staff to use \$2.5 million from the unrestricted fund balances of Parking, Vehicle Use, Employee Benefit, and the MLK Funds to help balance the General Fund

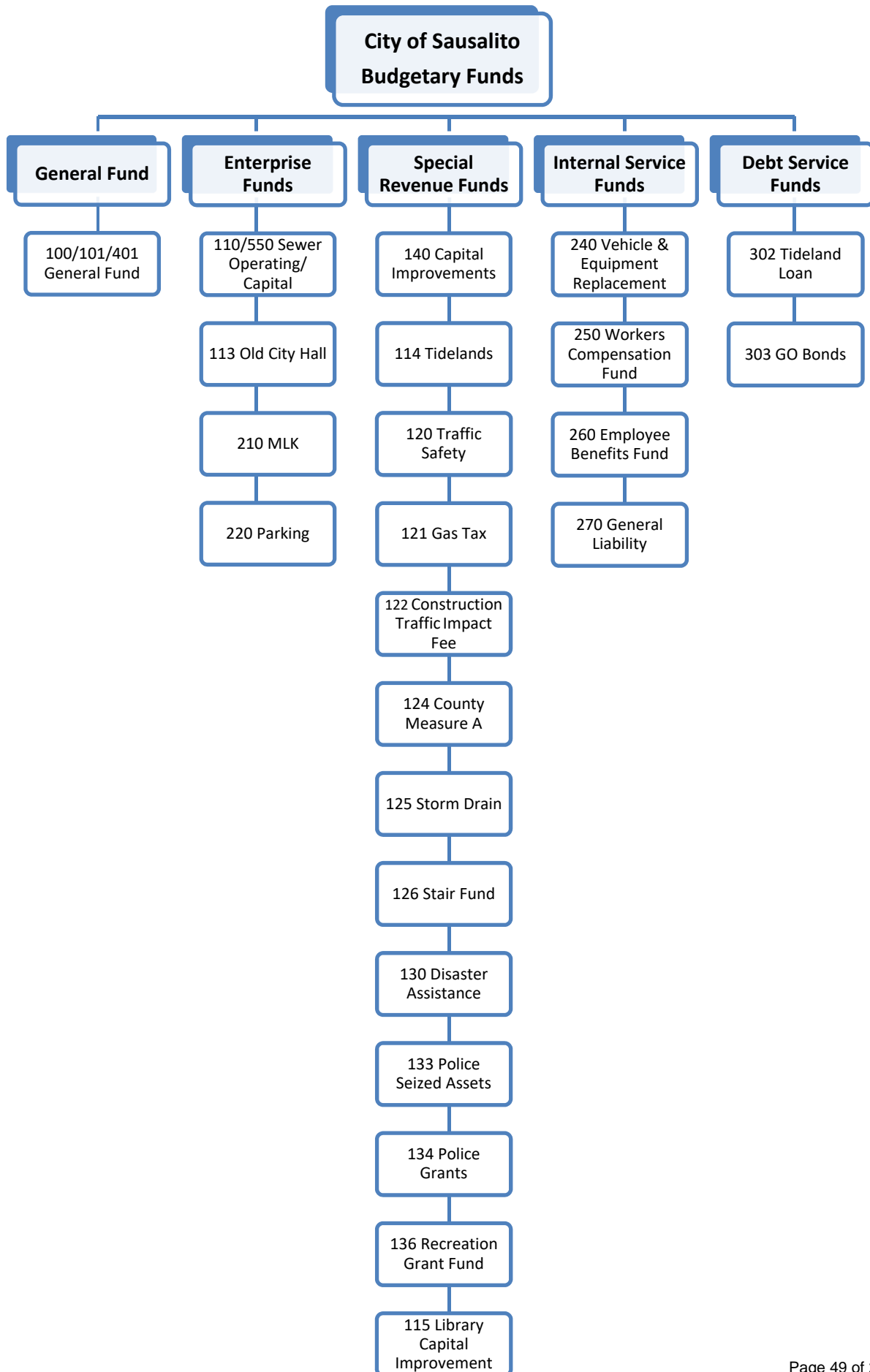


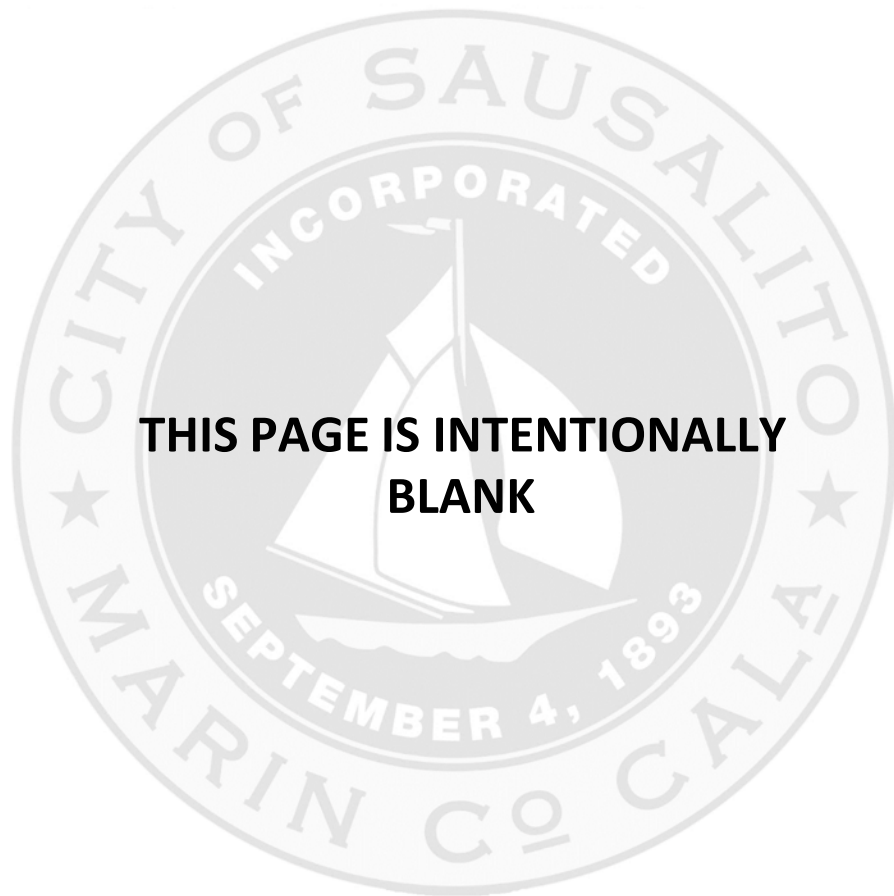
**City of Sausalito
FY2020-21 Budget
Transfers Summary**

Fund Name	Transfers In	Transfers Out
General Fund		
From Parking	\$3,034,000	
From Tidelands	200,000	
From Old City Hall	225,000	
From Sewer	225,000	
From MLK	235,000	
From Vehicle Replacement	500,000	
From Employee Benefit	300,000	
To Capital Measure O		\$496,300
To Workers Comp		353,200
To Employee Benefits		459,600
To General Liability		300,000
Total General Fund	\$4,719,000	\$1,609,100
550 Sewer Operating/Capital		
From Sewer Operating to Sewer Capital	\$1,520,000	
To General Fund		\$225,000
To Workers Comp		90,000
To Employee Benefits		11,400
To Sewer Capital from Sewer Operating		1,520,000
Total Sewer Operating/Capital	\$1,520,000	\$1,846,400
113 Old City Hall		
To General Fund		225,000
Total Old City Hall	-	\$225,000
114 Tidelands		
To General Fund		\$200,000
To Tideland Loan Debt Service Fund		72,200
Total Tidelands	-	\$272,200
122 Construction Traffic Impact Fee		
To Capital Improvement		125,000
Total Construction Traffic Impact Fee	-	\$125,000
124 County Measure A		
To Capital Improvement		125,000
Total County Measure A	-	\$125,000
125 Storm Drain		
To Capital Improvement		35,000
Total Storm Drain	-	\$35,000
140 Capital Improvements		
From General Fund Measure O	\$496,300	
From Construction Impact Fund	125,000	
From County Measure A Fund	125,000	
From Storm Drain Fund	35,000	
Total Capital Improvements	\$781,300	-

210 MLK To General Fund		235,000
Total MLK	-	\$235,000
220 Parking To General Fund To Workers Comp		\$3,034,000 6,800
Total Parking	-	\$3,040,800
240 Vehicle Replacement To General Fund		500,000
Total Vehicle Replacement	-	\$500,000
250 Workers Compensation Fund From General Fund Measure O From Sewer From Parking	\$353,200 90,000 6,800	
Total Workers Compensation Fund	\$450,000	-
260 Employee Benefits Fund From Sewer From General Fund for OPEB From General Fund for Pension Trust To General Fund	\$11,500 58,000 401,500	300,000
Total Employee Benefits Fund	\$471,000	\$300,000
270 General Liability From General Fund	300,000	
Total General Liability	\$300,000	-
302 Tideland Loan From Tidelands Fund	72,200	
Total Tideland Loan	\$72,200	-
Total All Funds	\$8,313,500	\$8,313,500

City of Sausalito Fund Structure





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City of Sausalito Fund Descriptions

Fund Type	Fund #	Restricted?	Fund	Fund Description		
General	100	Unrestricted	General	The General Fund is the primary operating fund of the City and is used to account for most day-to-day activities. Revenue sources include (but are not limited to) property tax, current fees for services and business registration		
	101					
	401					
Enterprise	110	Restricted	Sewer Operating/ Capital	The Sewer Fund accounts for the provision of sewer services to residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, capital improvements, maintenance, financing, billing and collections. Treatment services are provided by Sausalito-Marin City Sanitary District		
	550					
	113				Old City Hall	The City leases the Old City Hall to a tenant and uses this fund to account for the rent collections and related costs to administer and maintain the property
	210				MLK	The City owns the Martin Luther King site ("MLK") and leases units on the site to various tenants under operating leases with terms ranging from one to five years
220	Unrestricted	Parking	The Parking Fund accounts for the provision of parking services to residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, capital improvements, maintenance, financing, billing, and collections			
Special Revenue	140	Unrestricted	Capital Improvements	The Capital Improvements Fund accounts for City-wide construction and improvements not otherwise paid for through the proprietary funds		
	114	Restricted	Tidelands	The Tidelands Fund accounts for the lease income and construction, maintenance, and operation of tideland properties granted in trust to the City from the State of California		
	120	Restricted	Traffic Safety	The Traffic Safety Fund accounts for projects related to traffic safety. Financing is provided primarily by vehicle code fines		
	121	Restricted	Gas Tax	The Gas Tax Fund accounts for the construction and maintenance of the street system in Sausalito. Financing is provided by the City's share of state gasoline taxes allocated to cities from the State in accordance with the Streets and Highways Code		
	122	Restricted	Construction Traffic Impact Fee	The Construction Traffic Impact Fee accounts for costs recovered from fees applied to applicants on new developments to mitigate the impacts of accelerated wear and tear to the City's road as a result of construction projects		
	124	Restricted	County Measure A	The County Measure A Fund accounts for the half-cent County sales tax revenue restricted for local transportation improvement projects		

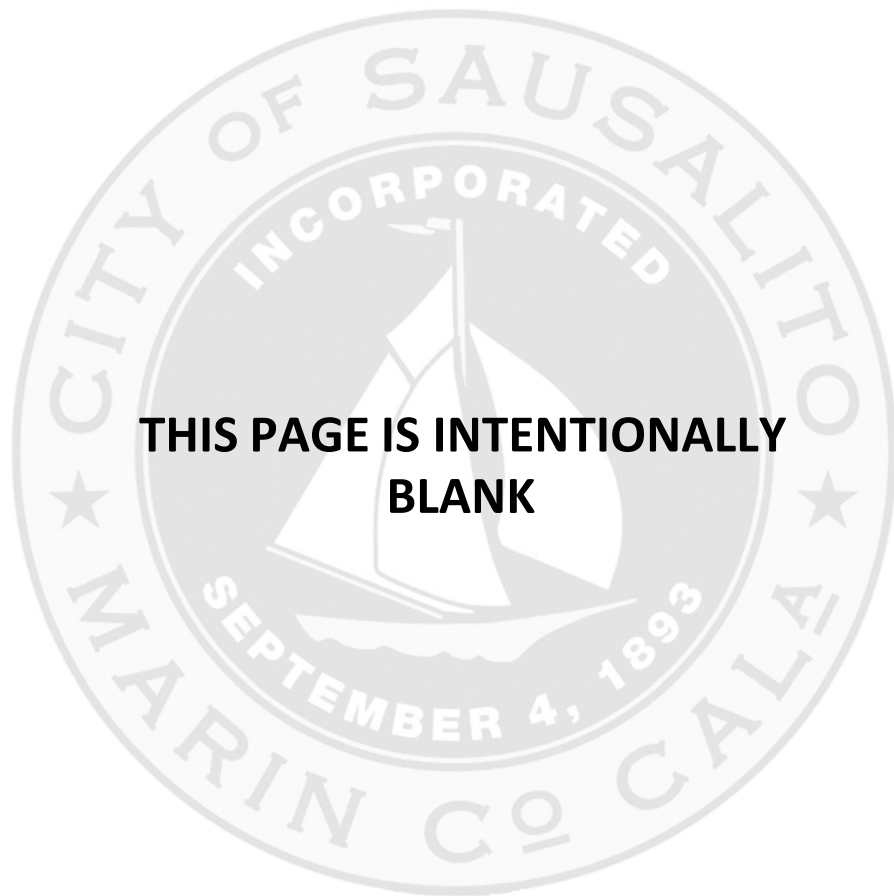
Fund Type	Fund #	Restricted?	Fund	Fund Description
Special Revenue	125	Restricted	Storm Drain	The Storm Drain Fund accounts for the maintenance of the City's storm drain system, including collectors, culverts, ditches and streams. Financing is provided primarily by property drainage tax and subsidies from the General Fund
	126	Restricted	Stairs Fund	The Stairs Fund accounts for the 167 Cazneau legal settlement received. Monies are to be used for improvements to Stairs
	130	Restricted	Disaster Assistance	The Disaster Assistance Fund accounts for the costs related to disasters. Financing is provided by the General Fund and replenished by reimbursements from federal and state grants, e.g. FEMA
	133	Restricted	Police Seized Assets	The Police Seized Assets Fund accounts for properties seized by the Police Department during the normal course of police operation
	134	Restricted	Police Grants	The Police Grants Fund accounts for grant activities and services paid and reimbursed by grant funding from Federal, State, County and local government agencies. These funds are designed for specific police services, activities and capital equipment. The current source of revenues is the Citizens Option for Public Safety or COPS grant used to augment public safety expenditures
	136	Restricted	Recreation Grant Fund	The Recreation Grant Fund accounts for Federal, State, and County per capita park grant funds for development and improvements to City public park, trail and land
	115	Restricted	Library Capital Improvement	The Library Capital Improvement Fund accounts for capital projects related to the library. Financing is provided primarily by the General Fund and state grants
Internal Service	240	Unrestricted	Vehicle & Equipment Replacement	The Equipment Replacement Fund was established to finance the repair, maintenance and replacement of equipment used by the City General Fund departments
	250	Unrestricted	Workers Compensation	The Workers' Compensation Fund is used to account for workers' compensation premium and claim liabilities. It is funded by internal services charges to City departments
	270	Unrestricted	General Liability	The General Liability Fund covers the cost of the City's insurance policies and payments liability claims against the City. Revenue for this fund is derived from internal service charges to City departments
	260	Unrestricted	Employee Benefits	The Employee Benefits Fun helps finance the liability for compensated absences and other post-employment benefits and is funded by transfers from the General Fund
Debt Service	302	Restricted	Tideland Loan	The Tideland Loan Fund accounts for transfers of funds from the Tidelands Fund to pay California Department of Boating & Waterways loan principal and interest
	303	Restricted	GO Bonds	The General Obligation Bonds Fund accounts for the accumulation of resources to pay general obligation bonds principal and interest

**City of Sausalito
FY2020-21 Budget
Fund Balances Summary**

Fund Name	Projected Fund Balance 6/30/2020	Revenues & Transfers In Budget	Expenditures & Transfers Out Budget	Revenue Over(Under) Expenditures	Projected Fund Balance 6/30/2021
GENERAL FUND	\$ 9,233,400	\$ 18,407,000	\$ 18,183,600	\$ 223,400	\$ 9,456,800
ENTERPRISE FUNDS					
110/550 Sewer Operating/Capital	5,885,900	4,566,400	6,229,200	(1,662,800)	4,223,100
113 Old City Hall	476,700	247,000	235,200	11,800	488,500
210 MLK	2,312,100	1,276,800	1,571,200	(294,400)	2,017,700
220 Parking	2,167,400	2,290,700	3,779,200	(1,488,500)	678,900
Total Enterprise Funds	\$ 10,842,100	8,380,900	11,814,800	(3,433,900)	\$ 7,408,200
SPECIAL REVENUE FUNDS					
140 Capital Improvements	1,386,000	1,283,400	1,208,400	75,000	1,461,000
114 Tidelands*	(2,596,500)	758,100	628,900	129,200	(2,467,300)
120 Traffic Safety**	(104,100)	30,000	-	30,000	(74,100)
121 Gas Tax	(118,300)	206,600	86,000	120,600	2,300
122 Construction Traffic Impact Fee	342,900	120,000	125,000	(5,000)	337,900
124 County Measure A	535,600	45,800	125,000	(79,200)	456,400
125 Storm Drain	19,600	76,700	63,900	12,800	32,400
126 Stair Fund	159,900	1,900	-	1,900	161,800
130 Disaster Assistance	427,700	11,600	-	11,600	439,300
133 Police Seized Assets	35,500	300	-	300	35,800
134 Police Grants	155,600	101,000	-	101,000	256,600
136 Recreation Grant Fund	(34,200)	65,000	-	65,000	30,800
115 Library Capital Improvement	105,900	1,200	-	1,200	107,100
Total Special Revenue & Capital Funds	\$ 315,600	2,701,600	2,237,200	464,400	\$ 780,000
INTERNAL SERVICE FUNDS					
240 Vehicle Replacement	942,900	-	615,200	(615,200)	327,700
250 Workers' Compensation Fund	86,800	450,000	450,000	-	86,800
260 Employee Benefits Fund	398,300	471,000	771,000	(300,000)	98,300
270 General Liability	53,300	300,000	300,000	-	53,300
Total Internal Service Funds	1,481,300	1,221,000	2,136,200	(915,200)	566,100
DEBT SERVICE FUNDS					
302 Tideland Loan	-	72,200	72,200	-	-
303 GO Bonds	1,017,900	745,000	745,000	-	1,017,900
Total Debt Service Funds	1,017,900	817,200	817,200	-	1,017,900
Total Other Funds	\$ 13,656,900	\$ 13,120,700	\$ 17,005,400	\$ (3,884,700)	\$ 9,772,200
Total All Funds	\$ 22,890,300	\$ 31,527,700	\$ 35,189,000	\$ (3,661,300)	\$ 19,229,000

* Negative balance reflects rent credit for future rents in exchange for financing of bulkhead repairs as unearned revenue

** Negative balances will be reviewed at year end. Staff will consult with the City's independent auditor for appropriate booking entries to reduce and/or eliminate deficit in these funds



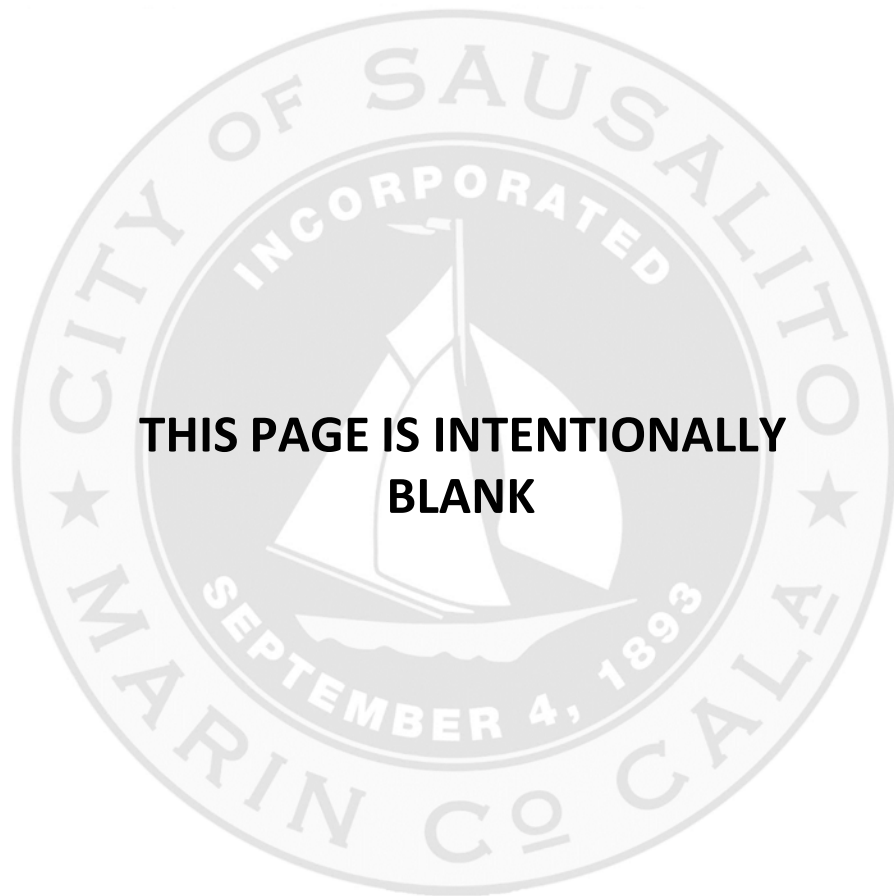
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CITY OF SAUSALITO

Personnel Summary





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**City of Sausalito
Salary Schedule*
Effective July 1, 2020**

Management	Minimum		Maximum				
City Manager	99.09	-----	115.67				
Chief of Police	88.91	-----	101.26				
Assistant City Manager/Admin Srvc Mgr	85.78	-----	100.14				
Public Works Director/City Engineer	80.89	-----	94.43				
Community Development Director	80.89	-----	82.74				
Police Captain	76.50	-----	89.30				
Police Lieutenant	69.96	-----	79.68				
Parks & Recreation Director	60.35	-----	76.62				
City Librarian/Communications Director	60.35	-----	73.97				
Public Works Division Manager	56.25	-----	65.66				
Senior Civil Engineer	51.84	-----	64.48				
Assistant to the City Manager/City Clerk	50.47	-----	61.87				
Finance Manager	50.00	-----	62.00				
Technology Manager	48.05	-----	63.20				
Human Resources Manager	46.42	-----	57.92				
Confidential	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Deputy City Clerk/Adminitrative Aide	33.65	35.67	37.81	40.08	42.48	45.03	47.73
Administrative Aide I	26.95	28.28	29.70	31.18	32.74	34.39	36.10
Senior Accounting Technician	31.89	33.47	35.15	36.91	38.76	40.70	42.73
Systems Technician	31.88	33.47	35.15	36.91	38.76	40.69	42.73
Records Supvsr/Asst to the Police Chief	32.47	34.10	35.79	37.59	39.47	41.45	43.52
Business Manager	34.57	36.29	38.11	40.01	42.01	44.11	46.31
Administrative Analyst	34.57	36.29	38.11	40.01	42.01	44.11	46.31
Management Analyst	34.57	36.29	38.11	40.01	42.01	44.11	46.31
Senior Accountant	39.45	42.27	45.09	47.93	50.72	53.54	56.37
City Clerk	41.24	44.19	47.13	50.07	53.03	55.97	58.92
POA	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Police Sergeant	45.24	47.50	49.88	52.37	54.99	57.74	60.63
Police Officer	37.44	39.31	41.27	43.34	45.50	47.78	50.17
Police Corporal /Police Investigator	39.31	41.27	43.34	45.50	47.78	50.17	52.68
Parking Enforcement Officer	25.97	27.27	28.64	30.07	31.57	33.15	34.81
Administrative Aide I	26.61	27.94	29.34	30.80	32.34	33.96	35.66
SEIU	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Library Assistant II	24.58	25.81	27.10	28.46	29.88	31.37	32.95
Senior Library Assistant	28.95	30.40	31.92	33.52	35.19	36.95	38.80
Librarian I	31.24	32.81	34.45	36.16	37.98	39.88	41.86
Librarian II	35.17	36.93	38.78	40.71	42.75	44.89	47.13
Custodian	22.04	23.14	24.30	25.52	26.79	28.13	29.55
Lead Custodian	23.14	24.31	25.52	26.79	28.14	29.55	31.03
Landscape Worker I	25.53	26.80	28.14	29.56	31.04	32.58	34.21
Maintenance Worker I	25.53	26.80	28.14	29.56	31.04	32.58	34.21
Landscape Worker II	27.91	29.31	30.77	32.31	33.93	35.62	37.41

SEIU (continued)	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Maintenance Worker II	27.91	29.31	30.77	32.31	33.93	35.62	37.41
Maintenance Worker III	30.51	32.03	33.63	35.32	37.08	38.94	40.88
Sewer Maintenance Worker I	25.79	27.07	28.42	29.85	31.34	32.90	34.56
Sewer Maintenance Worker II	28.19	29.60	31.08	32.63	34.26	35.98	37.77
Sewer Maintenance Worker III	30.82	32.35	33.97	35.68	37.46	39.33	41.30
Sewer Systems Coordinator	38.73	40.68	42.71	44.84	47.08	49.43	51.90
Fleet Maintenance Coordinator	32.09	33.69	35.38	37.15	39.00	40.96	43.01
Public Works Supervisor	46.24	48.55	50.97	53.52	56.20	59.01	61.95
Assistant Engineer	38.81	40.75	42.79	44.93	47.17	49.54	52.01
Civil Engineer I	40.86	42.90	45.05	47.29	49.66	52.14	54.75
Civil Engineer II	43.01	45.16	47.41	49.79	52.27	54.89	57.64
Administrative Aide I	26.94	28.28	29.70	31.19	32.74	34.38	36.10
Permit Technician	30.06	31.58	33.15	34.80	36.55	38.38	40.30
Building Inspector	44.01	46.21	48.52	50.95	53.50	56.18	58.98
Assistant Planner	34.30	36.01	37.82	39.70	41.69	43.77	45.97
Associate Planner	39.20	41.16	43.21	45.38	47.65	50.02	52.53
Senior Planner	40.86	42.90	45.04	47.30	49.66	52.14	54.75
Recreation Supervisor	31.82	33.41	35.08	36.83	38.68	40.61	42.64

*Wages and Salaries in Hourly Values

**City of Sausalito
FY2020-21 Budget
Personnel Summary**

Classification	Employee Group	Department	FY2019-20 Revised	FY2020-21 Approved
Administration				
City Manager	Management	Administration	1	1.0
Assistant City Manager/Administrative Services Director	Management	Administration	1	1.0
Assistant to the City Manager/City Clerk	Management	Administration	0	1.0
City Clerk	Management	Administration	1	0.0
Deputy Clerk/Adminstrative Aide	Confidential	Administration	0	1.0
Finance Manager	Management	Admin-Finance	0	1.0
Senior Accountant	Confidential	Admin-Finance	1	0.0
Management Analyst	Confidential	Admin-Finance	1	1.0
Senior Accounting Technician	Confidential	Admin-Finance	2	1.5
Administrative Aide I	Confidential	Admin-Finance	1	0.0
Technology (IT) Manager	Management	Admin-IT	1	0.0
Technology Systems Technician	Confidential	Admin-IT	1	1.0
Human Resources Manager	Management	Admin-HR	1	1.0
Management Analyst	Confidential	Admin-HR	1	0.0
HR Administrator	Confidential	Admin-HR	0	0.0
Police				
Police Chief	Management	Police	1	1.0
Police Captain	Management	Police	1	1.0
Police Lieutenant	Management	Police	1	1.0
Police Sergeant	SPA	Police	4	4.0
Police Corporal	SPA	Police	2	2.0
Police Investigator	SPA	Police	2	2.0
Police Officer	SPA	Police	9	8.5
Parking Enforcement Officers	SPA	Police	4	4.0
Records Supervisor / Asst to Police Chief	Confidential	Police	1	1.0
Management Analyst	Confidential	Police	1	1.0
Administrative Aide I	POA	Police	1	1.0
Community Development				
Community Development Director	Management	CDD	1	1.0
Associate Planner	SEIU	CDD	1	0.0
Assistant Planner	SEIU	CDD	1	2.0
Senior Planner	SEIU	CDD	1	1.0
Building Inspector	SEIU	CDD	1	1.0
Permit Technician	SEIU	CDD	2	1.0
Administrative Aide I	SEIU	CDD	0	1.0
Public Works				
Public Works Director (City Engineer)	Management	DPW	1	1.0
Civil Engineer II (Senior Engineer)	Management	DPW	1	1.0
Public Works Division Manager	Management	DPW	1	1.0
Assistant Engineer	SEIU	DPW	1	1.0
Public Works Supervisor (Superintendent?)	SEIU	DPW	1	1.0
Fleet Maintenance Coordinator	SEIU	DPW	1	1.0
Maintenance Worker II	SEIU	DPW	4	4.0
Maintenance Worker III	SEIU	DPW	1	1.0
Sewer Systems Coordinator	SEIU	DPW	1	1.0
Sewer Maintenance Worker I	SEIU	DPW	1	1.0
Sewer Maintenance Worker II	SEIU	DPW	0	0.0
Sewer Maintenance Worker III	SEIU	DPW	1	1.0

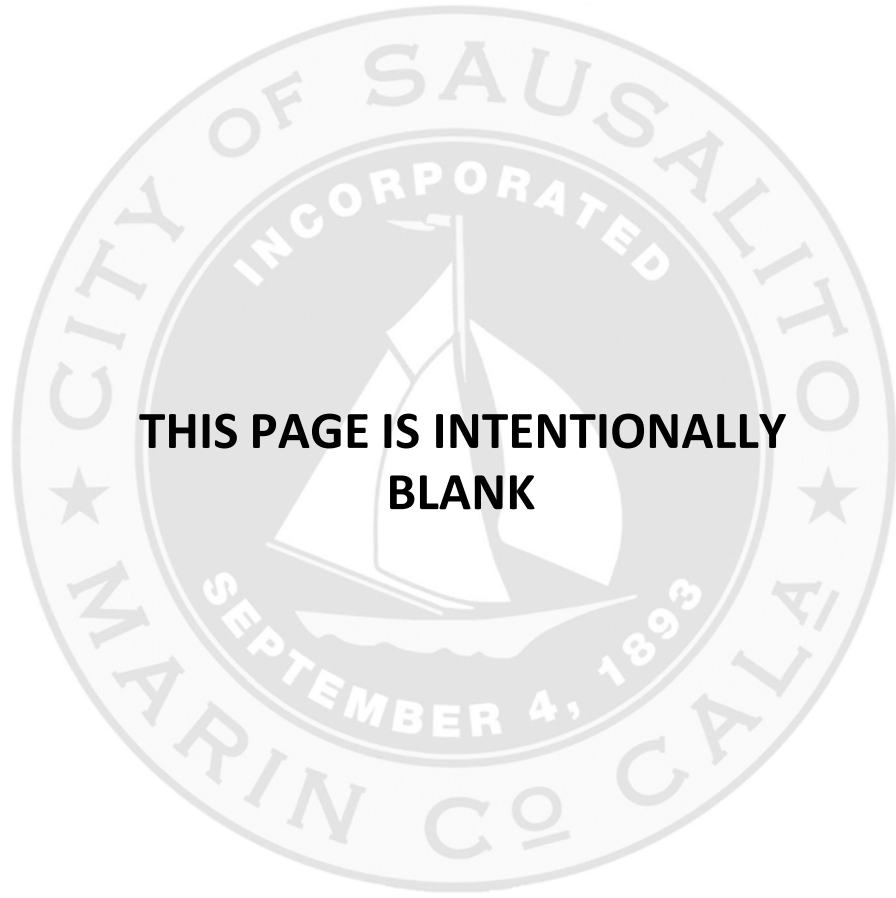
Classification	Employee Group	Department	FY2019-20 Revised	FY2020-21 Approved
Permit Technician	SEIU	DPW	1	1.0
Administrative Aide I	SEIU	DPW	0	0.0
Parks and Recreation				
Recreation Director	Management	Recreation	1	1.0
Recreation Supervisor	SEIU	Recreation	2	1.5
Administrative Aide I	SEIU	Recreation	1	0.0
Landscape Worker I	SEIU	Parks & Facility Maint	2	2.0
Landscape Worker II	SEIU	Parks & Facility Maint	1	1.0
Lead Custodian	SEIU	Parks & Facility Maint	1	1.0
Custodian	SEIU	Parks & Facility Maint	1	1.0
Library				
Library Director (City Librarian)	Management	Library	1	1.0
Librarian I	SEIU	Library	1	1.0
Librarian II	SEIU	Library	1	1.0
Senior Library Assistant	SEIU	Library	1	1.0
Library Assistant II	SEIU	Library	1	1.0
Total Fulltime Employees			75	70.5



CITY OF SAUSALITO

General Fund





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General Fund Overview

The General Fund is the primary operating fund of the City and is used to account for day-to-day activities. It receives unrestricted revenue and provides City general administrative services, public safety, and land development–related activities.

All general tax revenue and other revenues that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The General Fund is an unrestricted fund, and its resources can be used for any City service or governmental purpose.

The City’s major revenue sources for the General Fund are sales and property taxes, transient occupancy (hotel) taxes, business license fees, charges for services, and other revenue.

The General Fund provides for the cost of operating City government and includes the City Council, City Manager, City Attorney, City Clerk, Finance and Risk Management, Human Resources, Information Technology (All part of Administration), Police Services, Planning Services, Building, and Code Enforcement, Engineering, Facilities Maintenance, Library, and Parks and Recreation Services. In addition, General Fund expenditures include capital projects and reserve funding.

The City provides services to the community using a combination of City staff, programs, and contract services. The Administration, Police, Community Development, Public Works, Parks and Recreation, and Library departments consist primarily of City staff. This work is supplemented by contracts with other government agencies and service providers that provide the City with services such as Code Enforcement, Dispatch, Engineering, and Animal Control.

BUDGET OVERVIEW

The General Fund budget for FY 2020-21 is \$18.4 million in revenue and \$18.2 million in operating expenditures, including capital transfers. Due to loss of tax revenues resulting from the COVID-19 pandemic, the City has reduced the General Fund’s contribution to its Capital Improvement Program. The FY 2020-21 General Fund contribution to Capital Program is \$0.5 million. The projected structural surplus helps offset the cost of the most critical Capital Improvement Program by reducing the use of General Fund reserves from \$3.8 million in the 2019-20 Revised Budget down to \$1.8 million.



GENERAL FUND REVENUES

Unlike appropriations that can be established at the direction of the City, many key revenue sources are controlled by external forces to the City. For instance, property tax revenue varies with real estate values, and development-related revenue is affected by the volume and type of building permits and plans check requests. Sales tax and transient occupancy tax (TOT) revenues are subject to local and national economic cycles, businesses’ decision to locate in the community, and travel activity of businesses and tourists.

Two sources account for 63% of the revenue in the General Fund (excluding transfers): Property Tax and Sales Tax.

General Fund revenues in 2020-21 are projected to come in lower than last year's revenue because of reduced business activity and Shelter in Place conditions as a result of the pandemic. The budget includes a decrease of approximately \$726,700, or 5%, lower revenues (excluding transfers) than FY 2019-20 revised budgeted revenues, primarily due to COVID-19 related economic conditions. Total transfers from other funds are \$4.7 million, including a one-time transfer of \$2.5 million from Parking, Vehicle Replacement, and Employee Benefit funds to help balance the General Fund budget.

Key general fund revenue categories are further described below:

Property tax

Property tax is the City's largest revenue source and accounts for 41% of total General Fund revenues excluding transfers. Property tax revenue is collected and distributed by Marin County based on applying the constitutionally limited tax rate of 1% to the assessed value of certain secured and unsecured properties as determined by the County Assessor.

The City considers the historical rate of changes and economic conditions when forecasting property tax revenue. Property tax revenue shows increases based on figures from the Marin County Assessor's Office. This is consistent with trends throughout the County.

Both secured and unsecured property taxes are levied based on the assessed real property valuation (the basis for property tax levy) as of January 1, 2020, which means that the COVID-19 would have no impact on levy of City's FY 2020-21 property taxes. However, homeowners and small business owners can file an appeal with Marin County's Assessor Office to lower their assessed valuation based on their business losses because of COVID-19 related closures. The proposed

forecast scenario includes \$0.5 million loss in property tax revenue resulting from a partial approval of appeals. Under this assumption, while the property tax budget revenue assumes a 2% increase for base property tax based on prior-year trends, and information received from the Marin County Controller's Office, and the forecast data provided by the City's property tax consultant, HdL Companies. The FY 2020-21 budget recommendation for overall property taxes of \$5.6 million will pretty much remain at the same level as the FY 2019-20 Revised budget, because the distributions of excess Educational Revenue Augmentation Fund (ERAF) is being budgeted at 10% higher than the historic distribution level based on information received from the County of Marin.



Sales and Use Tax

Sales Tax is the City's second largest revenue source. Sales tax is collected by the State Board of Equalization against tangible items. The local portion is distributed to cities and counties based on the location of the sale.

Based on discussions with the City's sales tax advisor and sales tax projections prepared by HdL a dramatic drop in the point-of-sale activity is forecast due to the Shelter in Place orders and uncertainty over the end-point of the pandemic. As a result, it poses a challenge for sales tax consultants or City staff to project a credible sales tax revenue forecast. The FY 2020-21 projected sales tax ranges from a high of \$3.0 million, which is our most optimistic scenario, to a low of \$1.5 million as the most fearful option. Per the most probable economic scenario (the basis for the approved budget), sales tax revenues are estimated at \$3.0 million. The projections will change as more information is available on the re-opening of National, State, and local economies and tourist activities.

Transient Occupancy Taxes (TOT)

Transient occupancy taxes are assessed on The City's four hotels, and in a non-COVID-19 year they generate the City's fourth largest source of revenue.

Among all the tax-based revenues, TOT is the hardest hit by the current or possible future Shelter in Place scenarios. Under each of these scenarios, national and international tourism would take a hard hit, which would negatively impact the City's hotel occupancy and TOT revenues, which range from \$1.2 million to \$0.4 million under three scenarios. The most probable scenario forecast is at \$0.6 million, a decrease of \$0.8 million or 57% compared to the FY 2019-20 Revised Budget due to a significant drop in travel and tourism activities projected during the fall and winter of 2020.



Other Taxes

Other taxes include franchise fees assessed on franchise agreements with utility companies, and business license registration taxes that are being assessed on all businesses operating within the City limits. The franchise fees are projected to increase by \$23,300 or 3% over the FY 2019-20 revised budget based on the CPI based escalation in franchisee fee with various utility providers. Business license taxes will show a decrease of \$390,000 or 26% based on the information provided by the HdL Co, the consultant firm that provides the business license registration and collection services for the City. Just like sales tax revenue decline, business license receipts show declines based on current and projected Shelter in Place conditions due to COVID-19.

Park and Recreation Fees and Rentals

Parks & Recreation Fees and Rentals are projected to increase by \$135,000 or 40% compared to FY 2019-20 budgeted levels, which were adjusted downward at midyear budget review due to closures and cancellations of recreation classes and programs. As described in the most probable scenario, all City leased facilities were projected to be open for business at the start of FY 2020-21, and recreation classes and activities were assumed to slowly return to their normal level. Please note that this would change if Shelter in Place is extended to the rest of 2020 based on the most fearful scenario. The other major reason for higher revenues is related to the introduction of new summer programs in FY 2020-21.

Permits

Building and other development-related permit revenues are projected to increase by \$33,500 or 5% as the Community and Development Department plans to introduce new cost-reimbursement programs in FY 2020-21 which would result in higher revenues to the City. In addition, staff projects a significant drop in building and planning permit activities in Community Development related to COVID-19.

Fees for Services

The Fees for Services category includes receipts from the Community Development, Public Works, and Police departments when they provide a service to the public or business. These type of fees are based on the City's municipal fees schedule which is revised and approved on an annual basis to reflect the actual cost of providing those services. The FY 2020-21 Budget is being conservative in projections for the charges for services category, as staff does not anticipate a lot of building and planning activity in the upcoming year due to COVID-19. Staff will revisit these revenue projections at mid-year once the master fee schedule is fully implemented and the City will be able to analyze a full year's data from the recreation program revenues.



Other Miscellaneous Revenues

This revenue category includes cost-sharing reimbursements for services provided to other local cities or other public agencies. The FY 2020-21 revenue budget increase of \$292,200 is mainly due to new cost-sharing agreements the City plans to execute with neighboring cities and the school district to provide library and engineering services.

GENERAL FUND EXPENDITURES

The FY 2020-21 General Fund Budget expenditures are \$18.2 million, which is comprised of \$16.6 million in operating expenditures and \$1.6 million in transfers to other funds (\$0.5 million of the transfers are to fund the City's FY 2020-21 Capital Improvement Program). This is a reduction of \$2.6 million or 13% over the Revised FY 2019-20 budget of \$20.8 million, primarily due to COVID-19 induced General Fund revenue shortfall.

The major category of the General Fund's operating budget, Salaries, and Benefit costs, is \$206,000 or 2% lower than the FY 2019-20 Revised Budget. To address the FY 2020-21 projected budget shortfall, City's labor unions agreed to various concessions, including shorter work weeks, cancellation of merit and step increases, and early retirement incentives. The PERS UAAL payment increased for Safety and Miscellaneous employees by approximately \$355,000 or 17%. FY 2020-21 rates are budgeted as provided by CalPERS. Other Post Employment Benefits (OPEB) have been funded at \$256,000 or 100% of the Actuarially Determined Contribution (ADC) based on the information provided in the actuarial valuation completed in October 2019.

Professional Services' contractual obligations were increased by 2% over the FY 2019-20 Revised Budget to account for normal CPI increases unless the exact cost estimate for specific contracts had

been received. Operating Expenses are set at 1.5% over the FY 2019-20 Revised Budget to account for normal inflationary increases.

City Manager's Recommendations for the FY 2020-21 Budget

Although the FY 2020-21 Budget was adopted as a balanced budget, we have to acknowledge that balancing this budget and restoring the fund balances comes at a great cost. The total value of the 37 recommended budget reduction options Included in your packets is \$2,377,400, and there is not a single department or employee labor group that has not been affected by these cuts. An additional 11 reduction options totaling \$1,077,800 were also reviewed and considered but are not being recommended at this time (Attachment 6).

Under the modified zero-based budget, we considered each budget program in light of potential alternatives and priorities to allow the City to redirect efforts and funds from lower priority to higher priority programs. Each City Department was afforded an opportunity as part of the budget process to submit prioritized "program requests" asking for required additional resources to accommodate new programs and/or expenses and reductions totaling up to 20% of their base budget. Given this year's significant anticipated base budget deficit, all department heads knew going into the budget process that the prospects for new programs not mandated by law were dim and that drastic reductions were quite likely.

To this extent, we have looked at all available options to balance the General Fund Budget. Ultimately each department submitted a proposal to the City Manager. The City Manager met with each Department Director and ultimately formulated a plan to balance the FY2020-21 budget-making reductions as necessary to ensure anticipated expenditures were funded by projected revenues and that one-time use of \$2.5 million fund balance transfers from other funds as previously authorized by Council. The City Manager's prioritized and recommended additions/reductions are summarized below.

The list of all Additional Resources that are being requested for the FY 2020-21 is being presented in Attachment 2. Some of these requests are being presented in combination with offsetting related changes and reductions in services that may result in actual reductions in City expenditures, yet since the new services are being requested, we placed all these options in this category.

1. Reclassify Senior Accountant to Finance Manager \$2,100
2. Reclassify of City Clerk & Admin Aide positions and shared services contract with SMFD (reduction of \$26,900)
3. IT Management Services and Supplemental IT Support (reduction of \$64,900)
4. Cost Allocation Plan, User Fee and Development Impact Fee Study (reduction of \$25,000)
5. Housing Element Study Update required by State - \$69,000

The Revenue Enhancement Programs are listed in this category:

1. Increase in ERAF allocation estimates by \$49,000 or 10% based on the most recent information received from the County of Marin
2. Cost Recovery Planning Fees program initiated by the Community Development Department is already underway and project to generate \$42,100 in FY2020-21.

The last and the largest category provides a list of the Budget Reduction Options and offers 29 budget reduction requests, also listed in the order of the City Manager's priority.

1. Reduction of General Fund transfer for the General Liability and Workers Compensation Insurance Premiums that we were able to renegotiate - \$100,000
2. Savings due to the installation of a microwave link to PD that will replace recurring AT&T Cost – \$12,000
3. Eliminate funding for Historical Society docent salaries - \$15,600
4. Virtual Inspections in place of some in-person Inspections - \$30,000
5. Reclassify Associate Planner to Assistant Planner - \$12,300
6. Sharing Engineering Services with Mill Valley - \$131,300
7. Sharing services with Marin County Free Library for the Children's Librarian services with the additional offsetting revenues from the Friends of the Library grant - \$82,300
8. Stop production of quarterly Sausalito Magazine, including postage - \$39,500
9. Eliminate purchasing of Hanging Baskets in downtown - \$6,000
10. Reduce park, median and City Hall maintenance - \$65,600
11. Reclassify Permit Technician to Admin Aide - \$8,500
12. Reduce library book budget - \$40,000
13. Reduction in library hours and programs - \$130,000
14. Eliminate Admin Aide position in Parks & Rec - \$88,100
15. Short-term backfill of Accountant Technician position with Rec. Supervisor and freezing the Rec Supervisor position – 143,800
16. Reduce training funding (50%) citywide, excluding State-mandated POST training - \$23,800
17. Reduce conference funding in half citywide - \$14,500
18. Freeze vacant Management Analyst position in Administration (HR & Risk Management) - \$131,000
19. Reduce Public Works professional services budget to allow for fewer small capital projects - \$58,000
20. Reduce facilities maintenance budget - \$58,000
21. Reduce utility expenses in Public Works - \$100,000
22. Reduce vegetation management budget \$20,000
23. Reduce the non-departmental contractual services \$73,700
24. Retirement Incentive (Maintenance Worker II, Fleet Coordinator & Lead Custodian) - \$188,000
25. Receive funding from the Sausalito Library Foundation to fund Library Assistant II position - \$71,100
26. Reduction in the workweek to a 32-hour workweek for six months for Confidential & SEIU labor groups - \$284,700
27. Eliminate COLA increases scheduled to go into effect on July 1, 2020 for SPOA & Management labor groups - \$149,000
28. Lay-off Recreation Supervisor including portions of related professional services budget and factoring-in revenue losses from class and program registrations – 89,500
29. Freeze vacant Police Officer position - \$124,000

All these reduction options have a dramatic impact on City services and operations. The Library and Parks & Recreation departments are taking the most substantial hit due to the impact of COVID-19 on the City’s ability to offer these services. Still, there is no City department which services are not being impacted in a meaningful way. The chart below demonstrates the budgetary impact of the proposed cuts by the department.

Department	FY2020-21 Modified Base Budget	Recommended Reductions	Cuts as % of Budget
Police Department	6,885,733	239,570	3%
Community Development	1,804,569	74,716	4%
Public Works	2,016,215	620,957	31%
Parks & Rec	1,653,581	513,132	31%
Administration	2,965,948	432,049	15%
Non-Department	1,755,929	89,300	5%
Library	1,007,003	358,676	36%

Approximately \$1.7 million of the total recommended program cuts come from various reductions in the Salaries and Benefits category, including hiring freezes, multiple concessions, and lay-offs.

It is important to note that a number of the non-essential services that the City typically provides, particularly in Library and Parks and Recreation, are not operating, and they are not expected to resume until next winter or perhaps even spring of 2021. However,

as presented in some of the recommended options, Management has made every attempt to evaluate the skillset of active employees in “non-essential” categories, primarily in the Library and Parks & Recreation departments, for additional revenue streams to offset the cost or any potential transfers to other departments to backfill vacancies and provide assistance to “essential” city services. To this end, incumbents in Admin Aide and Recreation Supervisor job classifications have already been transferred from the Parks and Recreation department to Community Development and Administration accordingly. The second Recreation Supervisor is currently listed on the lay-off list. However, the staff is currently actively exploring all options, from identifying any additional revenues to help fund this position to partially sharing this position with another department that provides essential services. Once the appropriate solution is found, or if directed by Council tonight, we will remove this position from the cut list before budget adoption at the next meeting.

Last year Council approved resolutions authorizing the new Memorandum of Understandings (MOU) for SEIU, SPOA, Management, and Confidential groups. The MOUs include cost-of-living and equity adjustments scheduled to go into effect on July 1, 2020. the City Manager has been working very closely with the City’s labor negotiator, HR Consultant, and all labor groups to discuss “giving back” contractual increases and other concessions to balance the City’s Budget. The City is grateful for the responses received from each labor group. Every labor group offered substantial sacrifices to help balance the FY2020-21 Budget. The SEIU and Confidential employee groups have indicated a willingness to participate by reducing their workweek by 20% for six months (and taking a corresponding pay reduction). Due to the nature of the work performed and federal regulations related to overtime, this is not a viable option for the management or sworn

employees; therefore, these groups are expected to participate by giving back their scheduled COLA and Equity increases and working a greater number of hours without additional compensation for exempt classifications. We recognize the sacrifices made by all employee groups and appreciate their cooperation, which once again demonstrates that our employees are the City's strongest asset in our continuing commitment to excellence and high quality of life in the community, as we are all in this together.

TRANSFERS FOR CAPITAL PROJECT FUNDS

The General Fund's Measure O special sales tax helps to fund capital projects identified in the City's Capital Improvement Plan (CIP) that is budgeted in the Capital Project Fund.

Staff always strives to identify probable funding sources for projects and explore outside funding sources whenever possible. These include Federal and State Grants, County contributions, Gas Tax and various other tax measures. When no external sources of funding can be identified, General Fund is allocated to help fund identified projects.

The Proposed FY 2020-21 CIP budget includes six new capital projects, and the total General Fund contribution of \$0.5 million will be funded out of the General Fund's Measure O Sales Tax revenues.



RESERVES AND ASSIGNED FUNDS

The City's Fund Balance Policy identifies fund balances (or reserves) which fall into the following categories: *non-spendable* items or portions of fund balance that cannot be liquidated, *restricted* amounts for use by outside agencies, *committed* amounts by Council action such as emergency /contingency reserves and *assigned* balances to pay off unfunded liabilities and to fund infrastructure improvements.

In accordance with GASB Statement No. 54 requirements and the City policy, the Council established the following designations or contingencies of General Fund Committed Balance.

- Mudslide Clean-up Designation of \$50,000
- Budget Stabilization Reserve of 5% of operating expenditures (\$0.9 million)
- Budget Shortfall Policy of 10% of operating expenditures (\$1.8 million)
- COVID-19 Resurgence of approx. two months general revenues (\$1.5 million)

Maintaining a sufficient level of the projected ending fund balance is necessary for fiscal and operational sustainability. It is especially critical in the current uncertain economic situation, especially if the financial assumptions that we are using to develop the FY 2020-21 Budget need to be adjusted for the worse.

In the absence of the formal policy for the undesignated General Fund balance, the City Council has a tough choice to make between deciding on their comfort zone for the unrestricted fund

balance percentage in the times of economic uncertainty created by this pandemic and preventing service cuts for the benefit of the organization and the overall Sausalito community.

After factoring-in, the restricted reserves and operating contingency, the ending undesignated General Fund balance is projected at \$3.3 million or 19% of the General Fund operating expenditures (excluding one-time and capital transfers), which is still compliant with the Government Finance Officers Association of the US and Canada (GFOA) recommendation for government entities of no less than two months of regular general fund operating expenditures. This puts us in a slightly better financial position to be prepared for difficult budget choices that we may face in the following year under the recession scenario than many other California cities with more critical budgetary and cash flow needs. However, it is also important to realize that the GFOA guidelines were not developed under the evolving conditions of the unprecedented pandemic and have not yet been tested to account for that. Therefore, it becomes up to the Council’s policy decision to identify the appropriate fund balance level for staff to target during the present and future budget developments.

Because lowering reserve levels increase the City’s vulnerability in a period of historical volatility and uncertainty like today, staff recommends that the Council consider establishing a separate “shutdown” or “COVID-19 Resurgence Reserve” to be created, equal to the potential revenue losses during another potential two-month shutdown estimated at \$1.5 million that may occur with the resurgence of COVID-19 next fiscal year. The City Council approved staff’s recommendation and set aside the \$1.5 million in the newly established General Fund contingency designation that will only be used if directed by Council in the event of COVID-19 return and will be released back to the undesignated fund balance at the next budget review if the threat of COVID-19 is mitigated. This action reduced the undesignated General Fund balance from \$3.4 million or 19% of the operating expenditures down to \$1.8 million or 10%, as presented in the table below.

**FY2020-21 ADOPTED BUDGET
GENERAL FUND (RESTRICTED & UNRESTRICTED BALANCES)**

Designations	FY2019-20 Revised Budget	FY 2020-21 Modified Base	FY 2020-21 Adopted
Beginning Fund Balance	\$ 12,571,770	\$ 9,233,400	\$ 9,233,400
Total Revenue	17,459,800	15,348,900	18,407,000
Total Expenditures	20,798,200	19,654,700	18,183,600
Ending Fund Balance	9,233,370	4,927,600	9,456,800
Non-Spendable	1,676,420	1,676,400	1,676,400
Restricted Reserves (Pension)	1,788,163	1,788,200	1,788,200
Operating Contingency			
Mudslides Cleanup Designation	50,000	50,000	50,000
5% Budget Stabilization Policy	913,965	965,100	884,400
COVID-19 Resurgence			1,500,000
10% Shortfall Policy*	1,008,430		1,768,700
Total Designations	5,436,978	4,479,700	7,667,700
Undesignated Fund Balance	3,796,392	447,900	1,789,100
Operating Expenses	18,279,300	19,301,800	17,687,300
Undesignated Fund Balance as % of Op. Expenses	21%	2%	10%

The Designated Budget Shortfall Reserve provides funds for the City to cover unexpected and sharp drops in revenues due to the economy, emergency events, and other unanticipated expenditures and events. The City's policy requires this reserve to be 10% of budgeted annual operating expenditures. In calculating the FY 2020-21 budget shortfall and stabilization reserves, staff excluded operating transfers in the expenditures figures and set aside nearly \$2.7 million for this purpose. In addition, the Adopted Budget includes \$1.5 million COVID-19 Resurgence Reserve in case the virus comes back in the fall and the City has to close businesses again to fight the virus.

The Mudslide Cleanup Designation funds remain unchanged from their current level of \$0.5 million.

The City's unassigned General Fund Balance is projecting a figure of \$1.8 million, representing 10% of the operating General Fund expenditures, which is in addition to the committed reserves and contingency designations mentioned above, which is still within the GFOA recommended guidelines.

**City of Sausalito
FY2020-21 Budget
General Fund (Restricted & Unrestricted Balances)**

Designations	FY2019-20 Revised Budget	FY 2020-21 Adopted Budget
Beginning Fund Balance	\$ 12,571,770	\$ 9,233,400
Total Revenue	17,459,800	18,407,000
Total Expenditures	20,798,200	18,183,600
Ending Fund Balance	9,233,370	9,456,800
Non-Spendable	1,676,420	1,676,400
Restricted Reserves (Pension)	1,788,163	1,788,200
Operating Contingency		
Mudslides Cleanup Designation	50,000	50,000
5% Budget Stabilization Policy	913,965	884,400
COVID-19 Resurgence		1,500,000
10% Shortfall Policy*	1,008,430	1,768,700
Total Designations	5,436,978	7,667,700
Undesignated Fund Balance	3,796,392	1,789,100
Operating Expenses	18,279,300	17,687,300
Undesignated Fund Balance as % of Op. Expenses	21%	10%

*The 10% Shortfall Policy line-item was partially used to balance FY2019-20 Budget at mid-year review

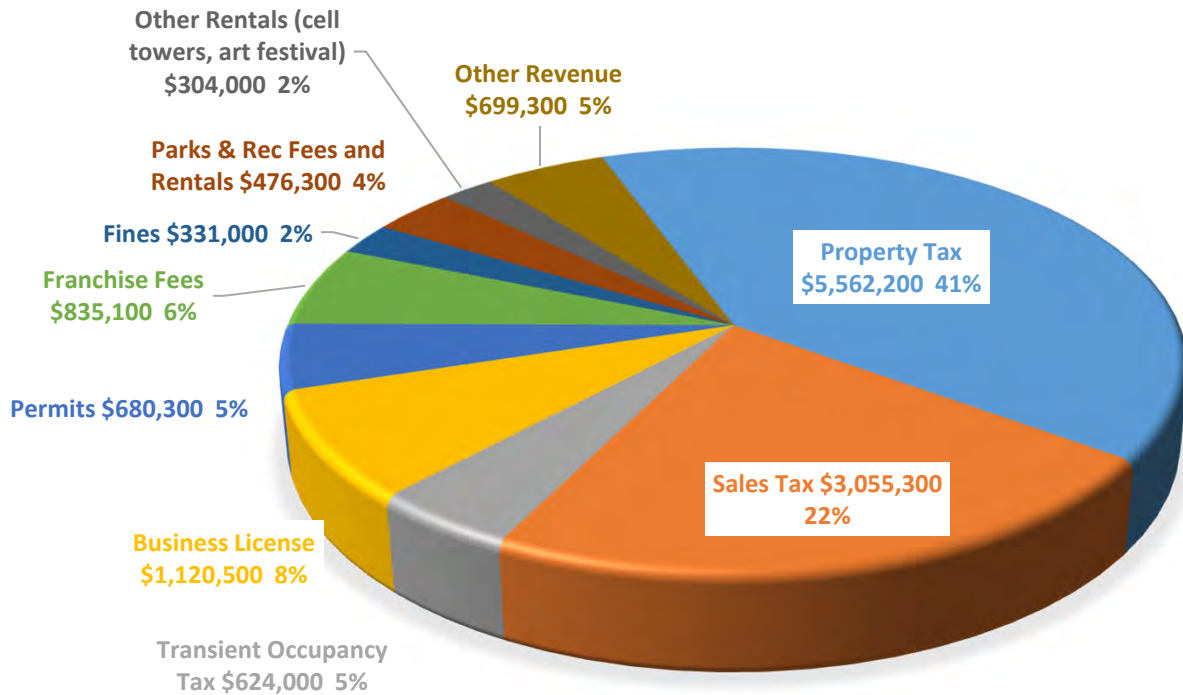
**City of Sausalito
FY2020-21 Budget
General Fund Revenue Detail**

Description	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget	% FY2020-21 Budget excl Transfers In
Property Tax	5,275,900	5,685,100	5,566,800	5,562,200	41%
Sales Tax	3,600,000	3,607,800	2,986,200	3,055,300	22%
Transient Occupancy Tax	1,530,300	1,862,700	1,435,500	624,000	5%
Business License	641,900	631,100	1,510,500	1,120,500	8%
Permits	976,800	1,013,000	646,800	680,300	5%
Franchise Fees	848,100	837,000	811,800	835,100	6%
Fines	558,600	676,400	330,000	331,000	2%
Parks & Rec Fees and Rentals	515,900	510,300	341,300	476,300	3%
Other Rentals (cell towers, art festival)	279,300	285,700	295,000	304,000	2%
Investment Earnings	150,900	237,300	239,400	157,000	1%
Fees for Services	125,900	219,800	153,400	150,600	1%
Grants & Contributions	37,000	1,033,300	37,900	32,800	0%
Intergovernmental	43,700	39,300	27,500	37,500	0%
Other Miscellaneous Revenue *	170,100	65,900	32,700	321,400	2%
Sub-total	14,754,400	16,704,700	14,414,800	13,688,000	100%
Transfers In **	2,518,200	2,821,300	3,045,000	4,719,000	
Total	17,272,600	19,526,000	17,459,800	18,407,000	

* Revenue from Shared Services

** City Council authorized staff to use \$2.5 million from the unrestricted fund balances of Parking, Vehicle Use, Employee Benefit, and the MLK Funds to help balance the General Fund

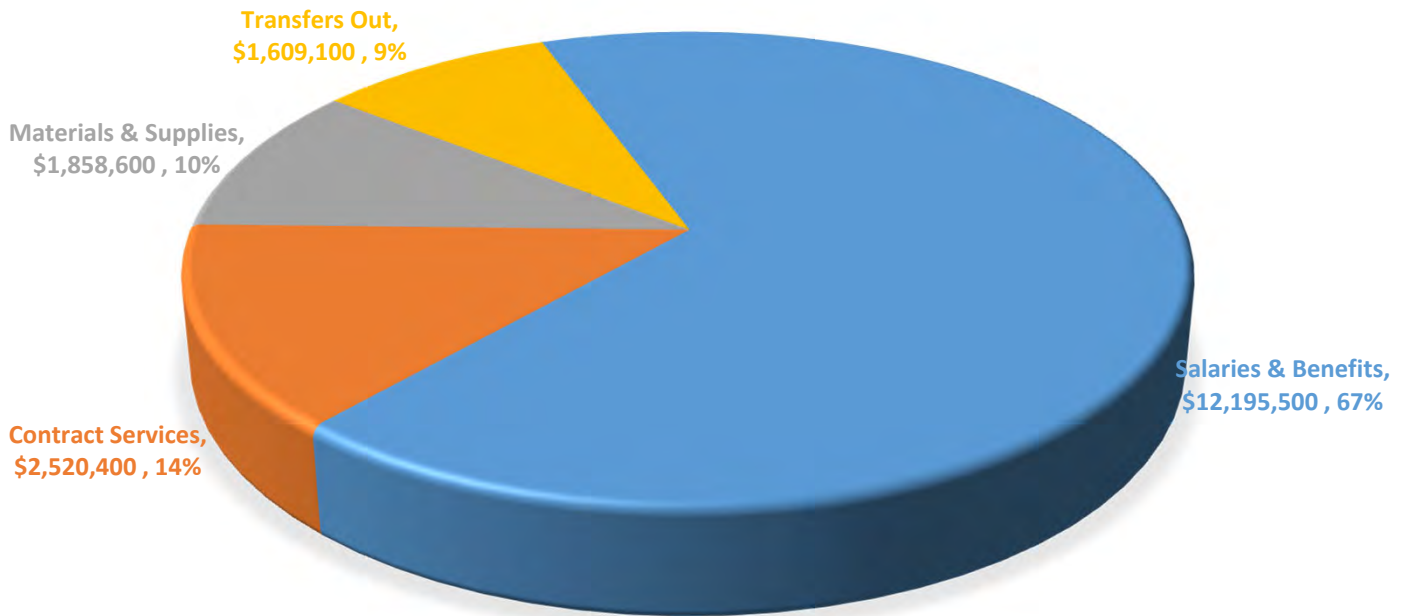
**City of Sausalito
FY2020-21 Budget
General Fund Revenue**



Revenue Description	Value	Share of Total excl Transfers
Property Tax	\$5,562,200	41%
Sales Tax	\$3,055,300	22%
Transient Occupancy Tax	\$624,000	5%
Business License	\$1,120,500	8%
Permits	\$680,300	5%
Franchise Fees	\$835,100	6%
Fines	\$331,000	2%
Parks & Rec Fees and Rentals	\$476,300	3%
Other Rentals (cell towers, art festival)	\$304,000	2%
Other Revenue	\$699,300	5%
Transfers In **	\$4,719,000	
Total 2020-21 General Fund Revenue Budget	\$18,407,000	100%

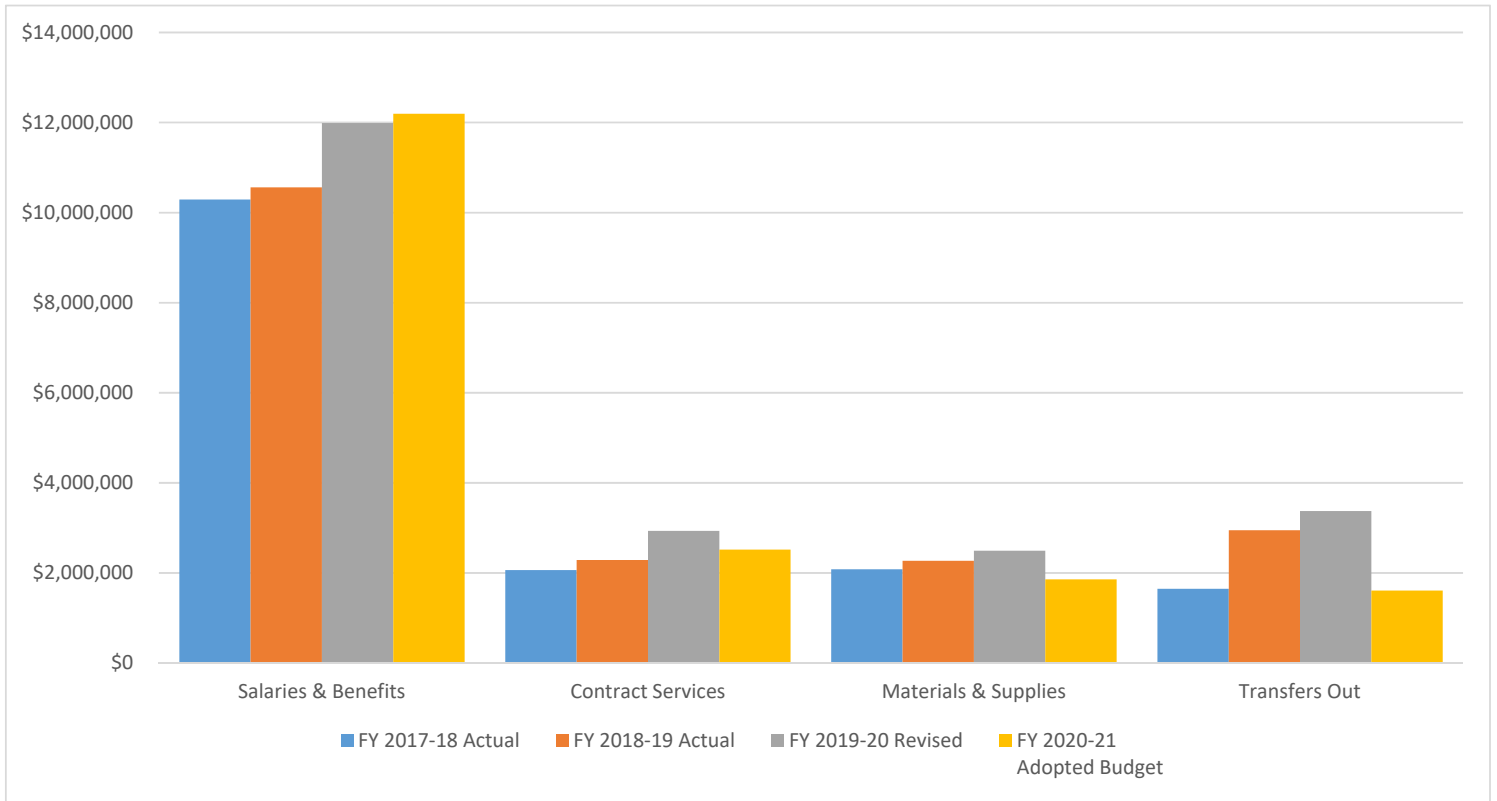
The City of Sausalito's primary revenue sources are Property Tax and Sales Tax, which comprise 63% of total General Fund Revenue excluding Transfers

**City of Sausalito
FY2020-21 Budget
General Fund Expenditures**



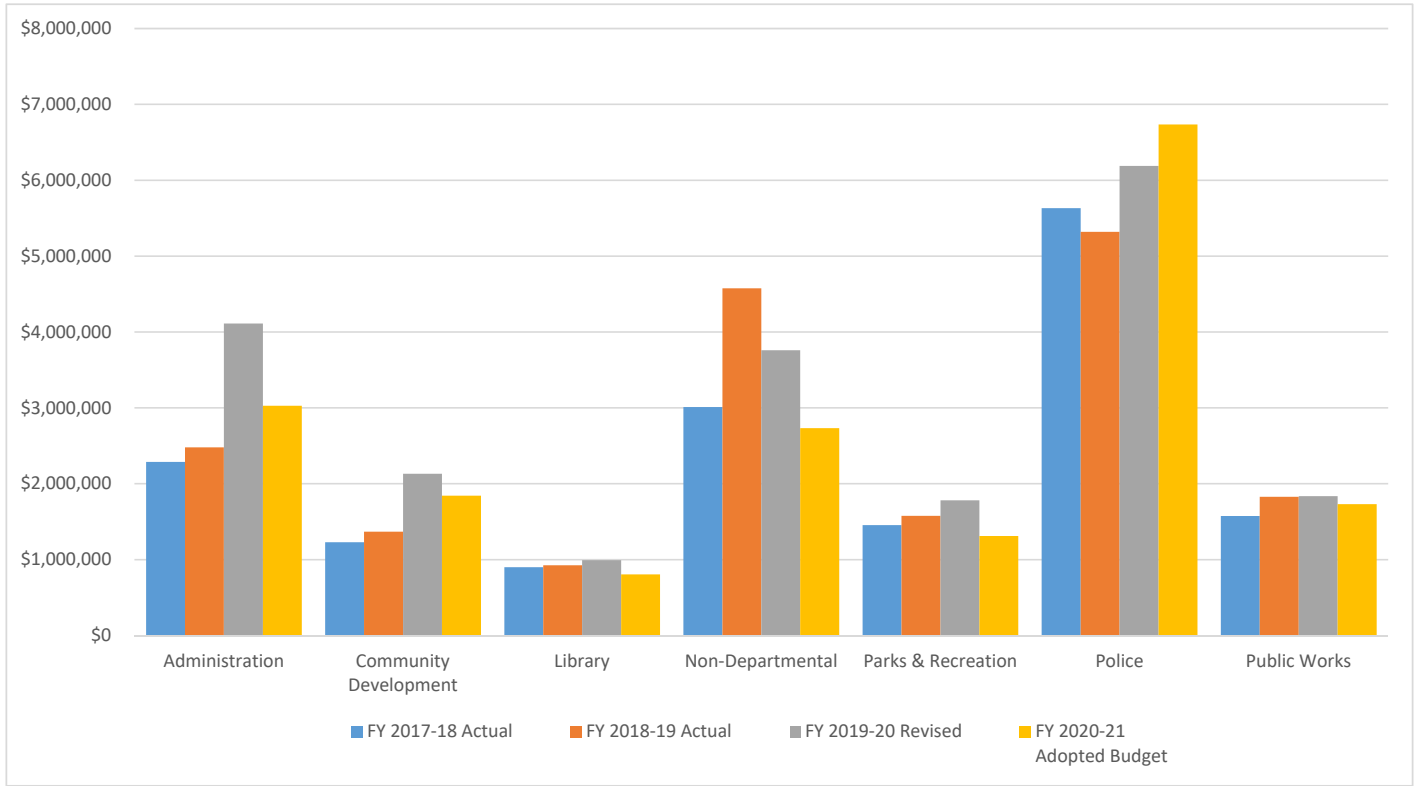
Expenditure Description	Value	Share of Total
Salaries & Benefits	\$12,195,500	67%
Contract Services	\$2,520,400	14%
Materials & Supplies	\$1,858,600	10%
Transfers Out	\$1,609,100	9%
Total 2020-21 Gen Fun Expenditure Budget	\$18,183,600	100%

**City of Sausalito
FY2020-21 Budget
General Fund Expenditures Trend - by Type**



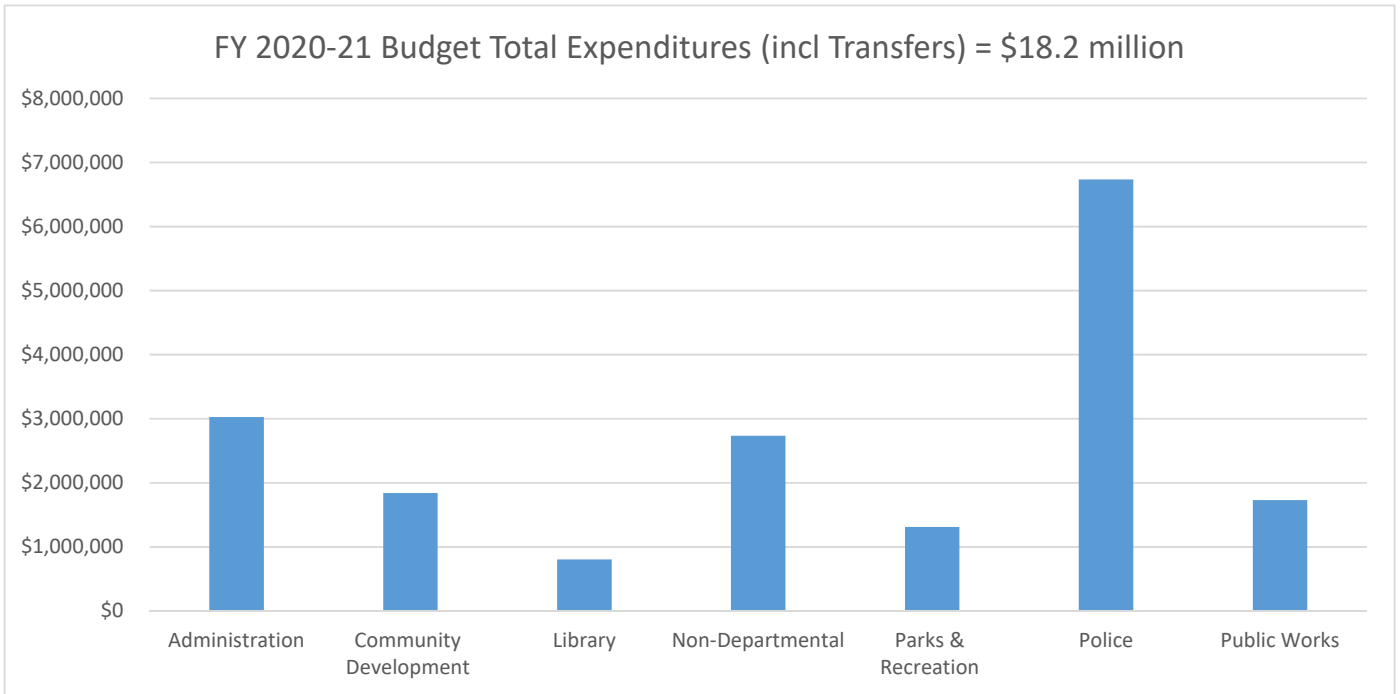
Expenditures	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget	% Change FY20-21 vs FY19-20
Salaries & Benefits	\$10,293,900	\$10,564,700	\$11,989,500	\$12,195,500	2%
Contract Services	\$2,064,300	\$2,288,300	\$2,936,300	\$2,520,400	-14%
Materials & Supplies	\$2,081,700	\$2,270,100	\$2,495,600	\$1,858,600	-26%
Transfers Out	\$1,650,900	\$2,951,100	\$3,376,800	\$1,609,100	-52%
Total	\$16,090,800	\$18,074,200	\$20,798,200	\$18,183,600	-13%

**City of Sausalito
FY2020-21 Budget
General Fund Expenditures Trend - by Department**



Expenditures	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget	% Change FY20-21 vs FY19-20
Administration	\$2,288,500	\$2,479,300	\$4,110,700	\$3,026,900	-26%
Community Development	\$1,229,300	\$1,368,000	\$2,131,600	\$1,841,600	-14%
Library	\$899,500	\$926,000	\$992,100	\$804,100	-19%
Non-Departmental	\$3,011,900	\$4,576,700	\$3,759,400	\$2,732,100	-27%
Parks & Recreation	\$1,454,300	\$1,577,100	\$1,780,900	\$1,311,500	-26%
Police	\$5,631,800	\$5,319,400	\$6,188,000	\$6,736,200	9%
Public Works	\$1,575,600	\$1,827,700	\$1,835,500	\$1,731,300	-6%
Total 2020-21 General Fund Expenditure Budget	\$16,090,900	\$18,074,200	\$20,798,200	\$18,183,700	-13%

**City of Sausalito
FY2020-21 Budget
General Fund Expenditures**

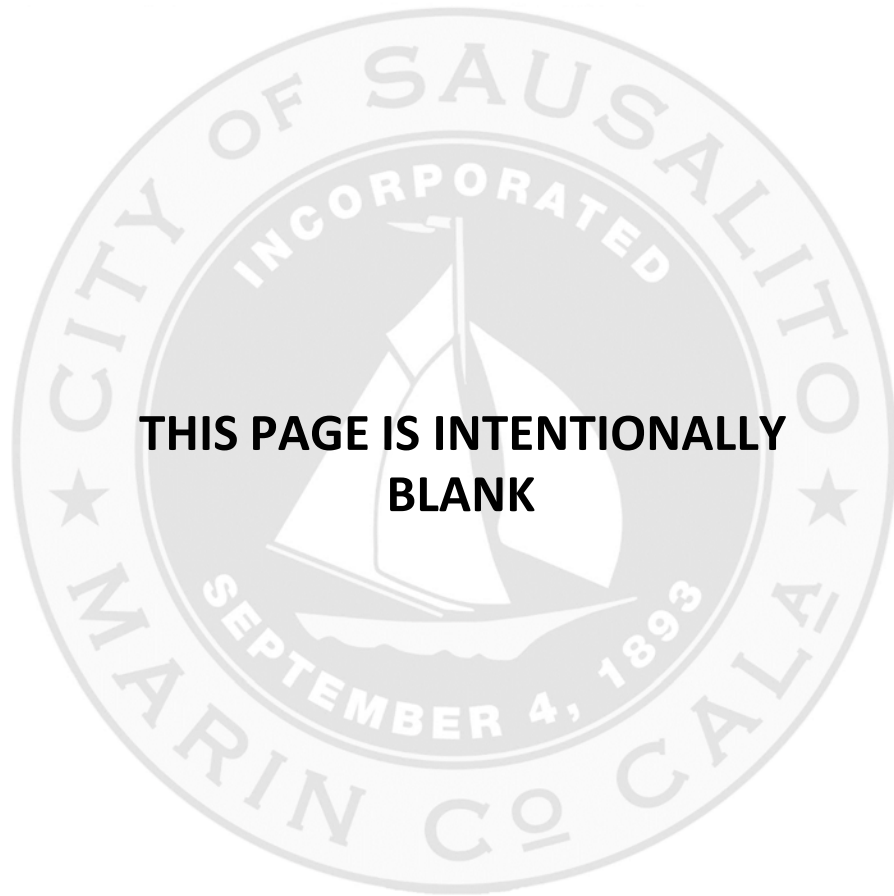


Administration	\$3,026,900
Community Development	\$1,841,600
Library	\$804,100
Non-Departmental	\$2,732,100
Parks & Recreation	\$1,311,500
Police	\$6,736,200
Public Works	\$1,731,300
Total 2020-21 General Fund Expenditure Budget	\$18,183,700

City of Sausalito
General Fund (100,101,401)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget
Revenue				
Property Tax	5,275,900	5,685,100	5,566,800	5,562,200
Sales Tax	3,600,000	3,607,800	2,986,200	3,055,300
Transient Occupancy Tax	1,530,300	1,862,700	1,435,500	624,000
Business License	641,900	631,100	1,510,500	1,120,500
Permits	976,800	1,013,000	646,800	680,300
Franchise Fees	848,100	837,000	811,800	835,100
Fines	558,600	676,400	330,000	331,000
Parks & Rec Fees & Rentals	515,900	510,300	341,300	476,300
Other Rentals (cell towers, art festival)	279,300	285,700	295,000	304,000
Investment Earnings	150,900	237,300	239,400	157,000
Fees for Services	125,900	219,800	153,300	150,600
Grants & Contributions	37,000	1,033,300	37,900	32,800
Intergovernmental	43,700	39,300	27,500	37,500
Other Miscellaneous Revenue	170,100	65,900	32,700	321,400
Total Revenue	14,754,400	16,704,700	14,414,700	13,688,000
Expenditures				
Salaries & Benefits	10,293,900	10,564,700	11,989,400	12,195,500
Contract Services	2,064,300	2,288,300	2,936,300	2,520,400
Materials & Supplies	2,081,700	2,270,100	2,495,600	1,858,600
Total Expenditures	14,439,900	15,123,100	17,421,300	16,574,500
Excess revenue over (under) expenditures	314,500	1,581,600	(3,006,600)	(2,886,500)
Other financing sources (uses)				
Transfers in/(out)				
Transfer In	500	-	-	-
In From Parking Fund	1,755,000	2,029,300	2,195,000	3,034,000
In From Tidelands Fund	200,000	200,000	200,000	200,000
In From Old City Hall Fund	230,000	225,000	225,000	225,000
In From Sewer Fund	180,800	225,000	225,000	225,000
In From Traffic Safety Fund	2,000	2,000	-	-
In From MLK Fund	150,000	140,000	200,000	235,000
In From Vehicle Replacement Fund	-	-	-	500,000
In From Employee Benefit Fund	-	-	-	300,000
Out to Workers Compensation Fund	-	-	(1,347,900)	(353,200)
Out to Employee Benefits Fund from Admin	(27,400)	(35,600)	(34,000)	(34,000)
Out to Employee Benefits Fund from IT	(4,900)	(5,900)	(5,900)	(5,900)
Out to Employee Benefits Fund from Planning	(10,000)	(13,800)	(14,100)	(14,100)
Out to Sewer Fund	(2,500)	(5,000)	(5,000)	-
Out to Capital Improvement Fund	(150,500)	(675,000)	(348,000)	-
Out to Capital Improvement Fund, Measure O	(1,191,000)	(1,247,400)	(889,500)	(496,300)
Out to Employee Benefits from Non-Departmental	(58,000)	(833,000)	(267,500)	(269,100)
Out to General Liability Fund	-	-	(328,400)	(300,000)
Out to Vehicle Replacement Fund from Police	(73,400)	-	-	-
Out to Employee Benefits Fund from Police	(59,000)	(77,300)	(79,200)	(79,200)
Out to Vehicle Replacement Fund from Building	(800)	-	-	-
Out to Employee Benefits Fund from Building	(6,200)	(5,400)	(5,500)	(5,500)

Out to Employee Benefits Fund from Engineering	(6,400)	(10,200)	(10,000)	(10,000)
Out to Vehicle Replacement Fund from DPW Maintenance	(25,600)	-	-	-
Out to Employee Benefits Fund from DPW Maintenance	(7,300)	(9,000)	(9,200)	(9,200)
Out to Employee Benefits Fund from Landscape Maintenance	(9,000)	(10,300)	(10,600)	(10,600)
Out to Vehicle Replacement Fund from Recreation	(400)	-	-	-
Out to Employee Benefits Fund from Recreation	(8,100)	(10,400)	(8,900)	(8,900)
Out to Employee Benefits Fund from Library	(10,600)	(12,900)	(13,200)	(13,200)
Total financing sources (uses)	867,200	(129,900)	(331,900)	3,109,800
Excess revenue and other sources over (under) expenditures and other uses	1,181,700	1,451,700	(3,338,500)	223,300
Beginning Fund Balance, July 1	9,578,722	10,947,886	12,571,770	9,233,270
Ending Fund Balance, June 30	10,760,422	12,399,586	9,233,270	9,456,570



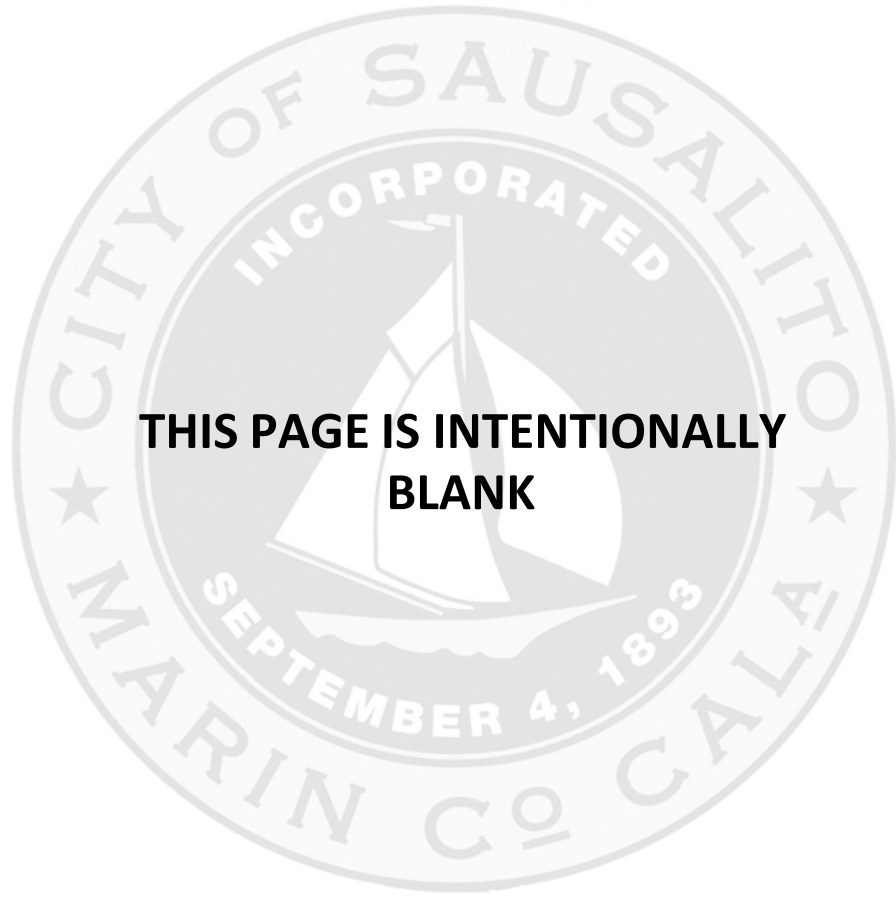
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CITY OF SAUSALITO

Department Budgets





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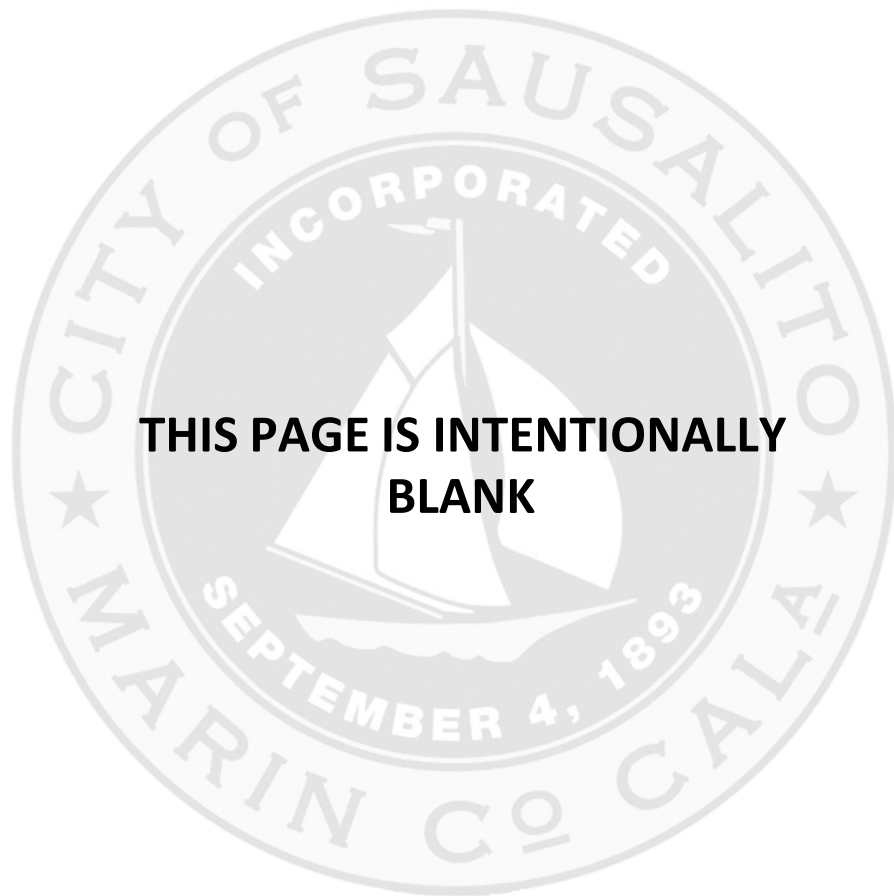


CITY OF SAUSALITO

Administration Department



Administration Department



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Administration Department

Mission

The mission of the Administrative Services Department is to manage the City's Finance, Human Resources, Information Technology divisions, property management and administrative policies by providing high quality support services to City departments, staff and community through finance, human resources, and information technology programs, including maintaining accurate financial reports, compliance with the City's policies and procedures, and supporting the City's objectives in serving the needs of the community.

Description

The Administration Department includes the City Manager, City Clerk, Finance staff, Human Resources, and IT. Their roles are as follows:

The City Manager provides overall management of City operations and is responsible for carrying out the policies and directives of the City Council. The City Clerk monitors and retains complete records of all City Council proceedings, processes local legislation, oversees elections, and manages public record requests. Finance staff provide services that protect and maximize the use of City resources, and record all financial transactions in accordance with Generally Acceptable Accounting Principles (GAAP) and the requirements of the Government Accounting Standards Board (GASB). They also prepare the City's annual operating and capital budget and coordinate the external audit process including preparation of the City's Comprehensive Annual Financial Report (CAFR). Human Resources recruits and supports the City's staff and implements best practices in recruitment, benefits management, labor relations, and employee classification and compensation.

Staffing

The Administrative Services Department is comprised of a City Manager, an Assistant City Manager/Director of Administrative Services, an Assistant to the City Manager/City Clerk, a Deputy Clerk/Administrative Aide, a Human Resources Manager, a Finance Manager, a Management Analyst, an Information Technology Technician and 1.5 Senior Accounting Technicians.

Service Level Changes

The FY2020-21 budget includes freezing of one Management Analyst position and reclassification of the City Clerk and Admin Aide positions. The Senior Accountant position was upgraded to a Finance Manager classification to provide higher level of managerial support to staff. In addition, operating costs include funds to outsource Information Technology support services.

Budget Highlights / Summary of Changes

The City Manager, City Clerk, Finance, Human Resources, and Information Technology budget are all included in the Administration Department budget with salaries and budget costs for the assigned staff per the applicable MOUs with the bargaining units. Contract expenditures are budgeted for professional services which reflect a 2% increase over the prior fiscal year's budget.

The FY 2020-21 budget includes a reduced work week (72 hours per pay period) for SEIU employees, and cancellation of step and merit increases for both confidential and management staff to help the General Fund balance its budget.

Fiscal Year 2019-2020 Accomplishments

- Created onboarding process to effectively educate and orient new staff.
- Processed 6 ordinances, 128 resolutions, 20 City Council Regular Meetings and Agenda Packets, 7 City Council Special Meetings and Agenda Packets, 2 Emergency Proclamations and 1 Non-emergency Proclamation, 49 public records requests, and 5 subpoena requests.
- Implemented the City's first digital signature policy and use of DocuSign for use by all City Departments. Included staff training for how to use the DocuSign software platform.
- Implemented the City's Virtual Public Meeting via Zoom for all City Council, Boards, Commissions, and Committees. Included staff training for how to use and implement the Zoom virtual meeting platform.
- Managed vacancies and appointments to all Boards, Committees, and Commissions, including solicitations in the Sausalito Currents.

Fiscal Year 2020-2021 Goals / Strategic Plan Elements

- Conduct the City's November 2020 General Municipal Election for three Councilmember seats as well as potential ballot measures
- Facilitate economic recovery of our business community from the devastating effects of the COVID-19 pandemic (Fiscal Resiliency and Community Identity)
- Work towards recovery of organizational resources and service level priorities which were reduced as a result of COVID-19 (Strong Organization and Community Identity and Fiscal Resiliency)

City of Sausalito FY2020-21 Budget

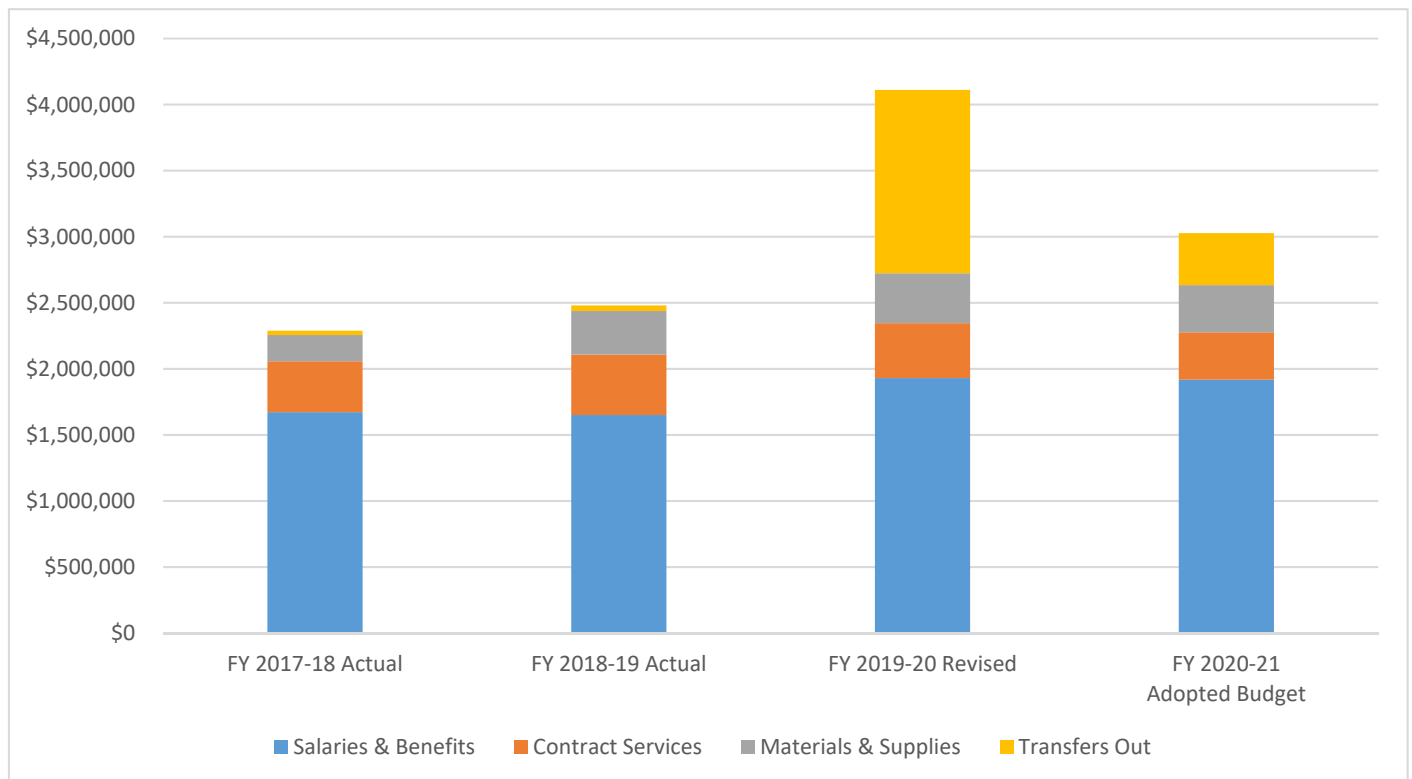
Administration

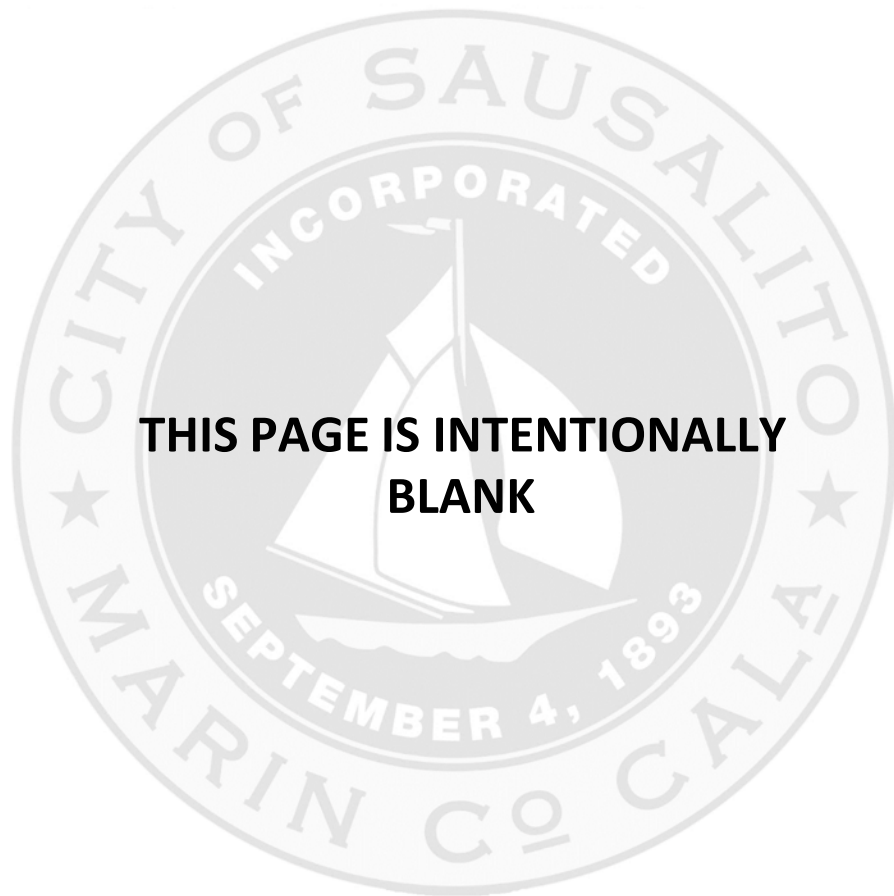
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget
Expenditures				
Salaries & Benefits	\$1,672,000	\$1,650,400	\$1,930,500	\$1,918,100
Contract Services	\$384,500	\$457,500	\$415,100	\$358,500
Materials & Supplies	\$199,700	\$329,900	\$377,300	\$357,200
Transfers Out	\$32,300	\$41,500	\$1,387,800	\$393,100
Total	\$ 2,288,500	\$ 2,479,300	\$ 4,110,700	\$ 3,026,900

Full-Time Equivalent Employees

12

9.5





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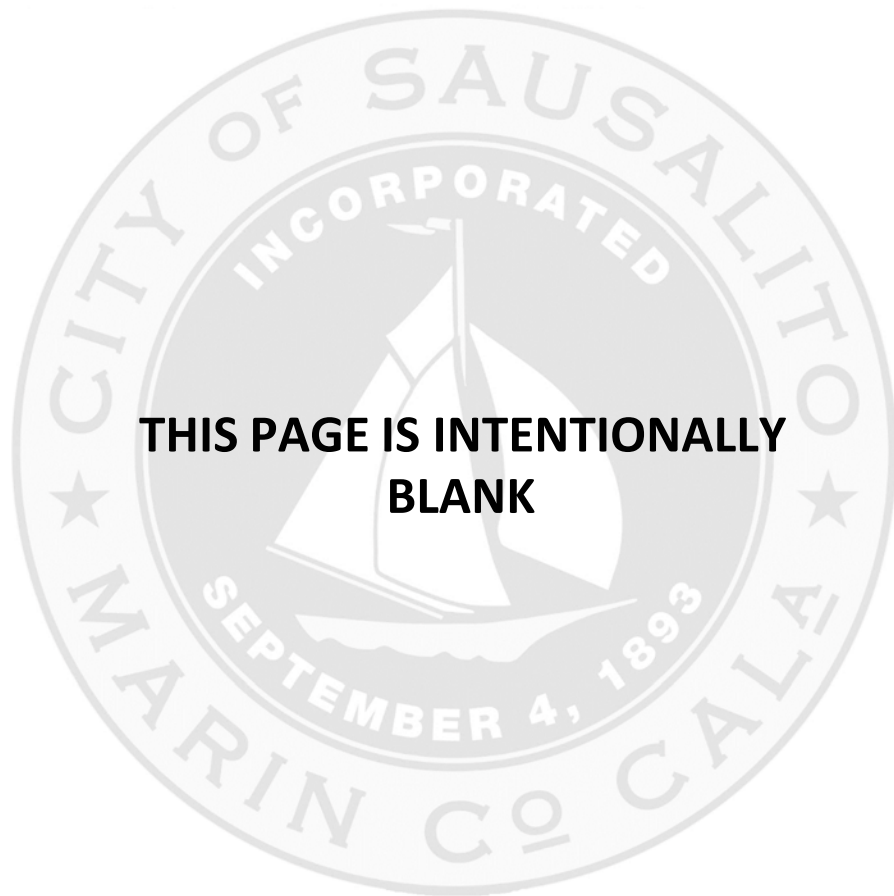


CITY OF SAUSALITO

Non-Departmental



Non-Departmental



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Non-Departmental

Description

The purpose of the Non-Departmental Department is to record expenditures that are not associated with another specific department of the City, or cut across a number of departments and thus are more easily accounted for in one section.

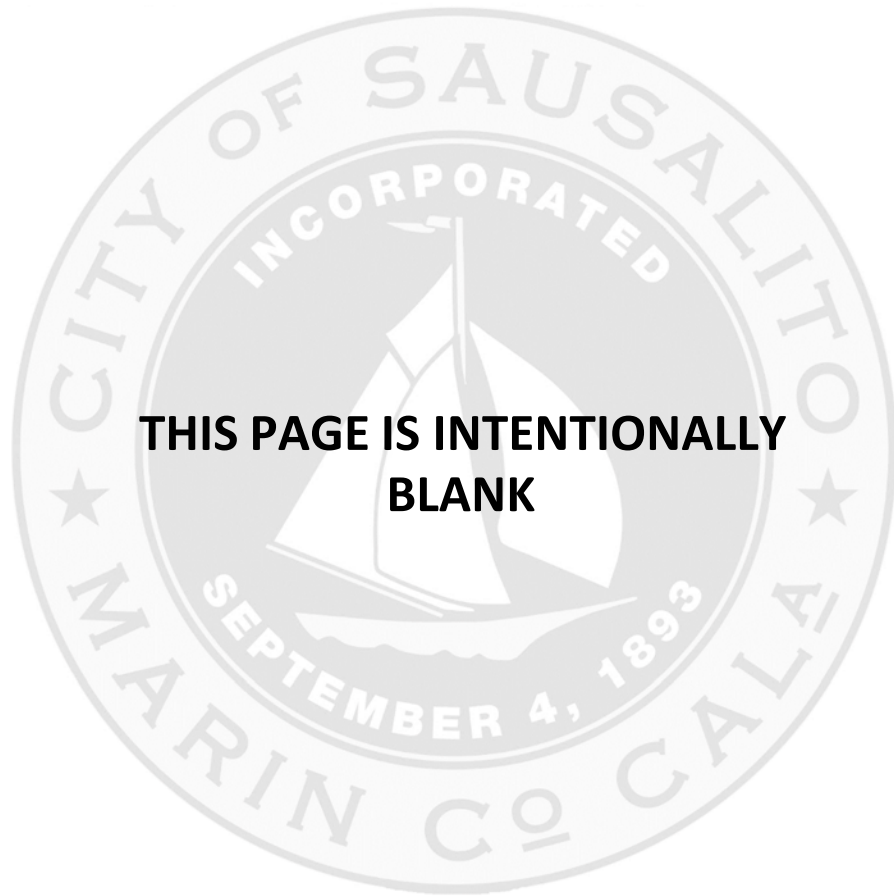
- Annual financial audit, state controller reporting
- Mandated cost claiming and sales tax audits
- Pension and OPEB consulting services
- City Attorney and other legal expenses
- Retiree health care and Former fire-fighters and City employee pension costs
- Intra-governmental expenses for animal control, LAFCO, Marin General Services, Marin Telecommunication
- General Liability, property, employee liability and auto physical damage premiums
- Contributions for Volunteers, employee appreciation, Sister Cities, historical society, “Age-Friendly”, and Marin Renters Rebate
- Support for Hospitality Commission and Business Advisory Commission
- Memberships in League of California Cities and ABAG
- Transfers to the General Capital Improvement Program including pass-through of Measure “O” sales tax receipts

Service Level Changes

There are no major service level changes in the current budget year.

Budget Highlights / Summary of Changes

Due to COVID-19 related revenue shortfall, there are significant reductions in various programs such as elimination of funding to Historical Society and reduction in contractual services for various programs. In addition, the insurance premiums for workers compensation and property/liability programs are also lower compared to the prior year.



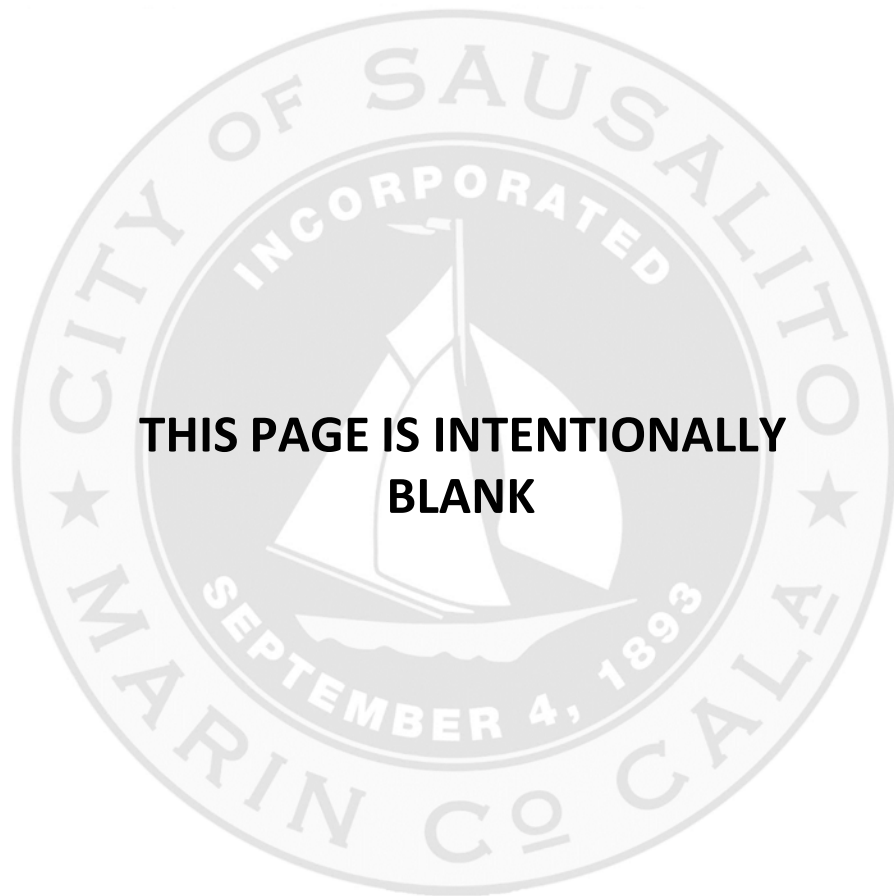
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City of Sausalito FY2020-21 Budget

Non-Departmental

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget
Expenditures				
Salaries & Benefits	\$591,000	734,300	\$814,100	\$873,400
Contract Services	\$575,200	\$661,500	\$578,200	\$599,300
Materials & Supplies	\$443,700	\$420,500	\$528,700	\$194,000
Transfers Out	\$1,402,000	\$2,760,400	\$1,838,400	\$1,065,400
Total	\$ 3,011,900	\$ 4,576,700	\$ 3,759,400	\$ 2,732,100





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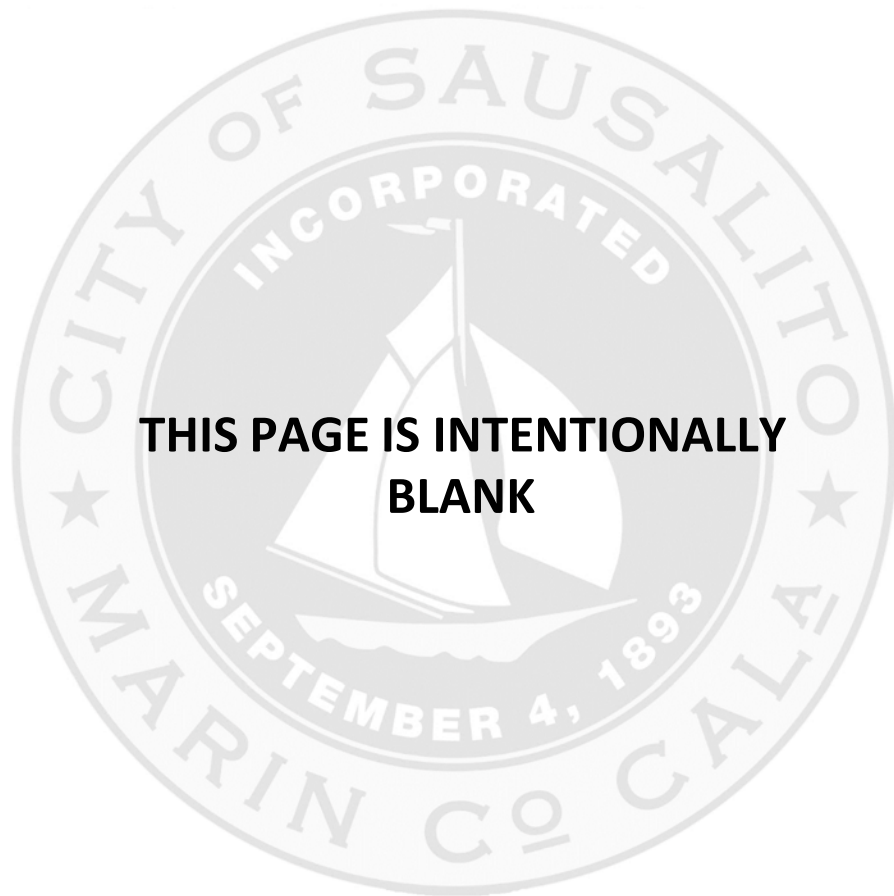


CITY OF SAUSALITO

Police



Police



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Police Department

Mission

The mission of the Sausalito Police Department is the following:

With integrity and professionalism, we are dedicated to work in partnership with our community, to enhance safety, quality of life and community trust.

Description

The Police Department provides law enforcement services including regular patrols, response to emergency and 911 calls, investigative services, community policing, and specialized law enforcement services as needed. The Department is dedicated to the preservation of public safety by providing innovative and progressive service in partnership with the Sausalito community.

Service Priorities

- Deliver of 24-hour response to our community.
- Coordinate emergency preparedness efforts.
- Detect and reduce crime.
- Enforce traffic laws.
- Manage records and reporting.
- Provide community policing.

Staffing (Finance to Update)

The Police Department budget consists of the Police Chief, one Captain, one Lieutenant, four sergeants, two corporals, one detective, nine patrol officers and seven non-sworn positions for law enforcement services. The budget also includes contract costs for services provided by other agencies such as police dispatch.

Service Level Changes

The FY 2020-21 budget includes freezing of a vacant Police Officer position.

Budget Highlights / Summary of Changes

The Dispatch Services budget includes a contractually negotiated increase. The COLA adjustment for police staff will be deferred to help balance the General Fund budget.

Fiscal Year 2018-2020 Accomplishments

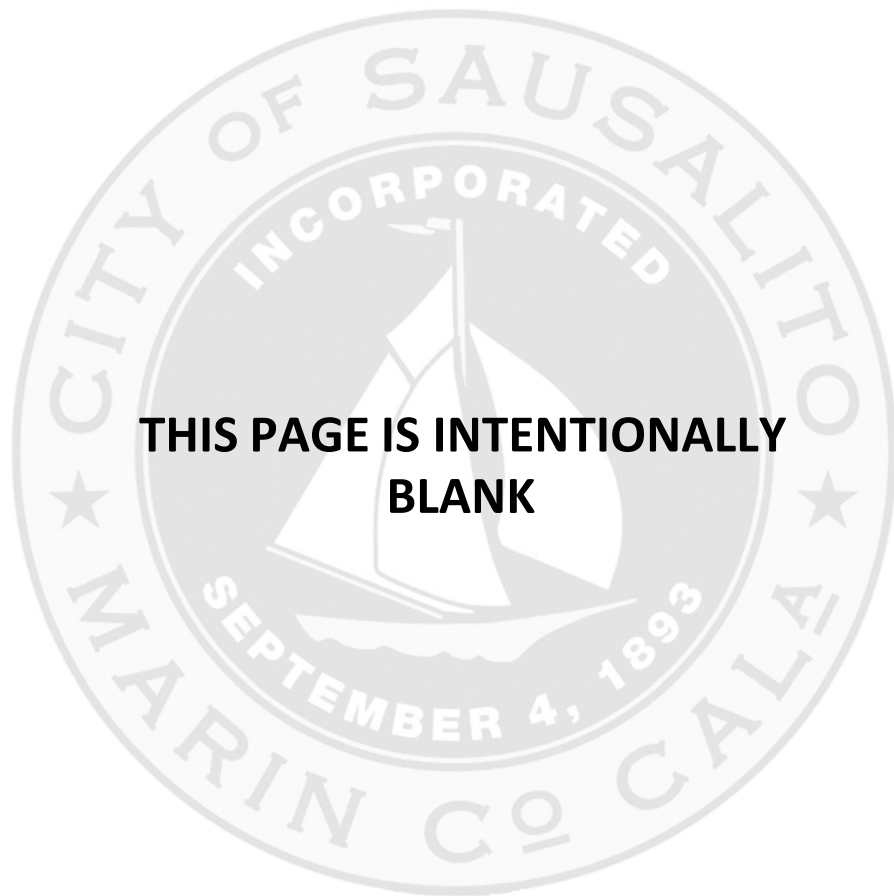
- Provided incident command and public safety for community events:
 - Easter Event
 - 4th of July Parade
 - Sausalito Art Festival
 - Halloween Parade
 - Sausalito Lighted Boat Parade

- Participated in the Special Response Team (SRT) and Hostage Negotiation Team (HNT) incidents through Central Marin Police Authority (CMPA).
- Continued work with the Homeless Outreach Team to address homeless issues.
- Partnered with the Downtown Streets Team to create a Mobile Shower Program to provide showers and other services for the homeless/anchor out/less fortunate population in Sausalito.
- Held a National Night Out event (2018) to better enhance the relationships with the community.
- Held quarterly Coffee with a Cop events to continue to enhance the relationship with the community.
- Participated in the Law Enforcement Special Olympics Torch Run and other fundraising events.
- Hired a part-time Marine Patrol Officer to enhance the department's ability to provide law enforcement services to the waterfront population and increase safety upon Sausalito waters.
- Purchased half of the full-time Property and Evidence Technician from Central Marin Police Authority.
- Shared traffic units and investigations services with Mill Valley Police Department on an as needed basis.
- Implemented a Waterfront Management Program that reduced the number of illegally anchored vessels in Sausalito Waters from 77 to 12.
- Partnered with the Ritter Center in San Rafael and local marinas/harbors to develop the Safe Harbor Program. The Safe Harbor Program provides illegible people (law abiding citizens) with sea worthy vessels a slip at participating marinas/harbors free of costs for up to 18 months as a means of transitioning off the waters to land based housing.
- Conducted yearly trash collection events for vessels throughout Richardson Bay in coordination with the Richardson Bay Regional Agency, Marin County Sheriff's Office, Marin Health and Human Services. The goal of these events is reduce the amount of trash and hazardous materials on vessels before storm season thereby reducing the chance of pollutants entering the bay. During the event, social workers from Marin County Health and Human Services talk to the occupants of the vessel regarding their needs and offer them services.
- Implemented a traffic congestion plan and utilized citizen ambassadors to assist in the management of crowds and bicycle traffic in the down town area.
- Utilizing license plate recognition camera technology, the Sausalito Police Department recovered 27 stolen vehicles and arrested 29 individuals for various crimes in fiscal year 2018-20. The majority of the individuals arrested had criminal records and were planning to or had already committed additional crimes in Sausalito.

Fiscal Year 2020-2021 Goals / Strategic Plan Elements

- Continue to make community policing a priority and generate additional community events, such as Coffee with a Cop, National Night Out, Citizen's Academy (Community Identity).

- Continue to work with the City regarding homeless issues (Community Identity).
- Continue to work with the City regarding anchor out and Richardson Bay issues (Community Identity).
- Continue participation on the CMPA Special Response and Hostage Negotiation Teams.
- Continue to coordinate with outside agencies for assistance with investigations, traffic and other quality of life concerns.
- Continue to purchase half of the full-time Property and Evidence Technician from Mill Valley Police Department, formally purchased from Central Marin Police Authority.
- Continue to share traffic units and investigations services with Mill Valley Police Department on an as needed basis.
- Utilize the patrol bicycles and motorcycles to enhance patrol efforts (Community Identity).
- Continue to participate in the Law Enforcement Special Olympics Torch Run and other fundraising events (Community Identity).
- Continue marine patrol services, Waterfront Management Plan, and the Safe Harbor Program in continue to increase the safety and quality of life upon Richardson Bay.
- Educate and disseminate prevention information regarding phone scams, burglary trends, and other crimes of opportunity (Community Identity).
- Continue to use technology (i.e. on line reporting, license plate recognition cameras, in-car cameras) to more effectively, efficiently, and safely provide police services to the community. Increase technological capabilities by implementing a body worn camera program and upgrading in-car cameras (Community Identity and Maintain strong organization).



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City of Sausalito FY2020-21 Budget

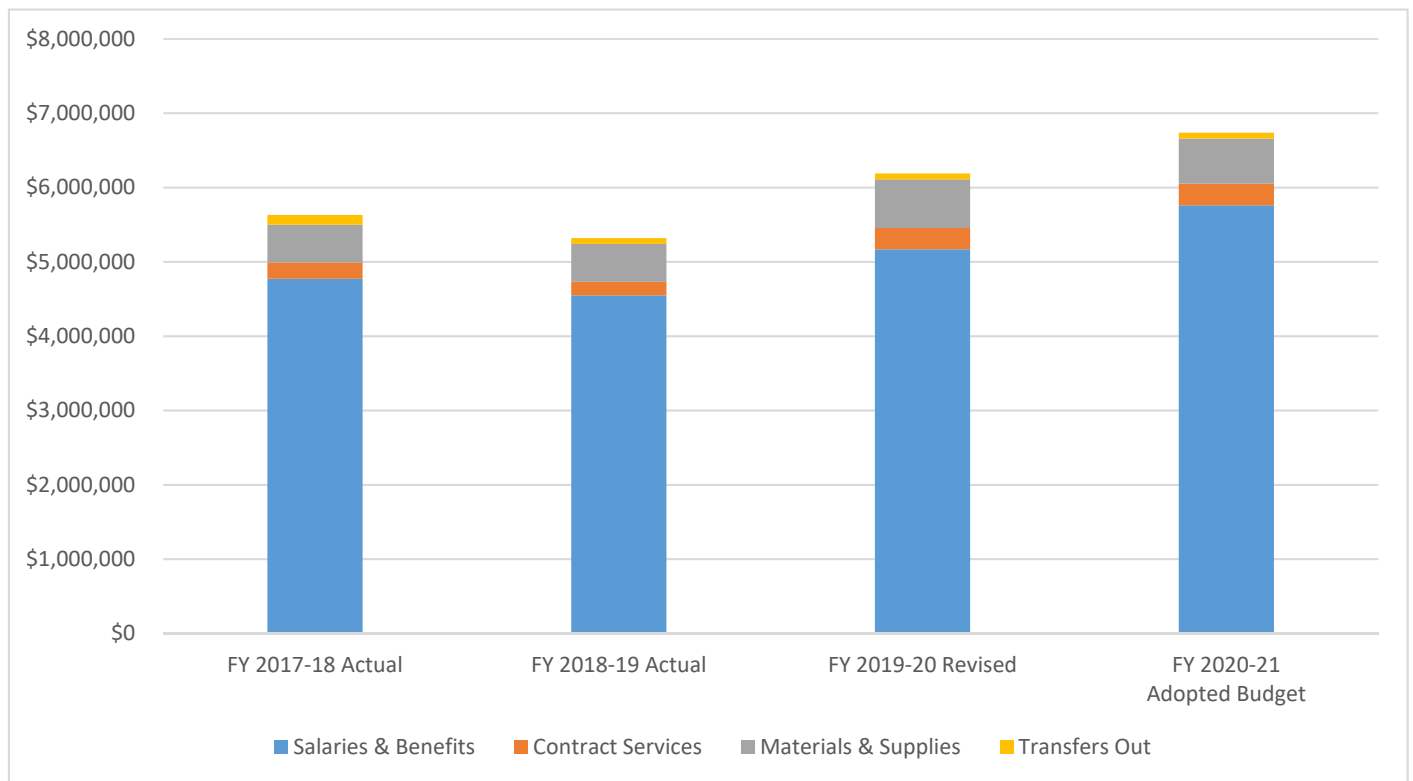
Police

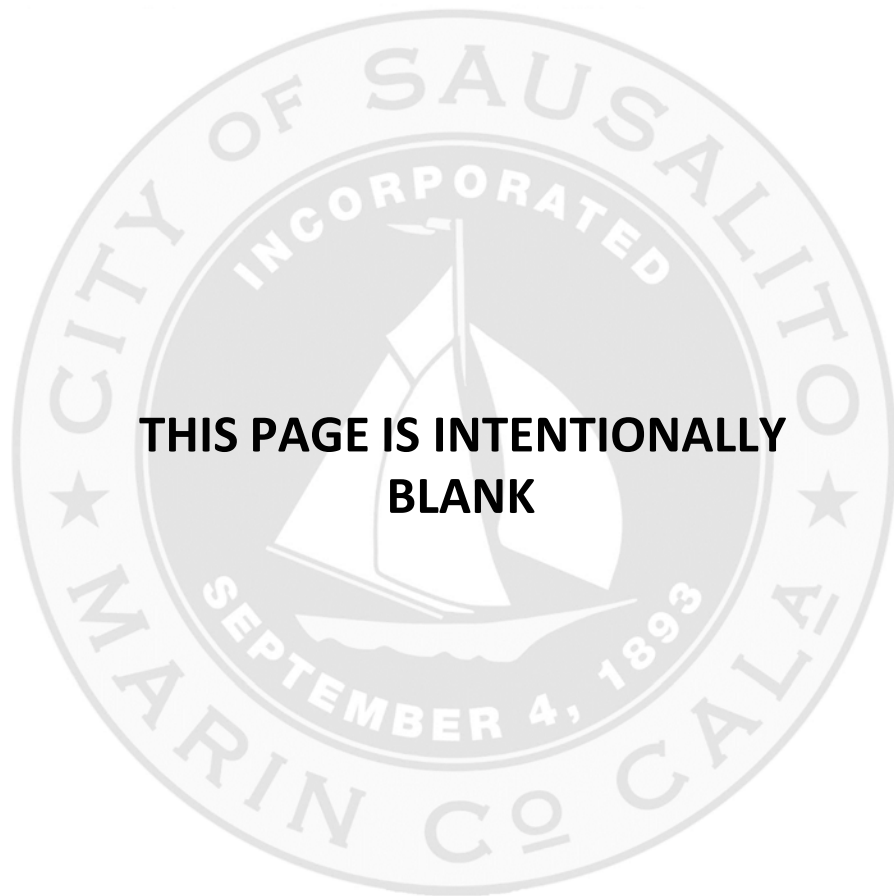
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget
Expenditures				
Salaries & Benefits	\$4,771,800	4,549,200	\$5,167,300	\$5,760,800
Contract Services	\$217,200	\$182,300	\$286,700	\$292,400
Materials & Supplies	\$510,400	\$510,600	\$654,800	\$603,800
Transfers Out	\$132,400	\$77,300	\$79,200	\$79,200
Total	\$ 5,631,800	\$ 5,319,400	\$ 6,188,000	\$ 6,736,200

Full-Time Equivalent Employees

27

26.5





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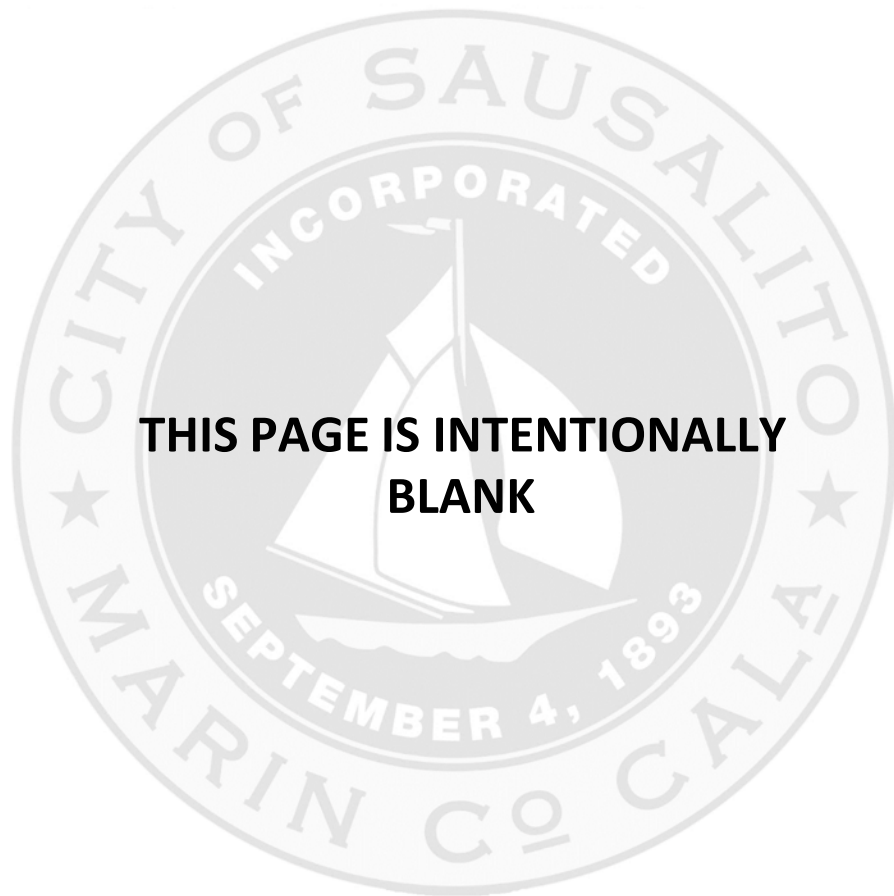


CITY OF SAUSALITO

Community Development



Community Development



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Community Development Department

Mission

The mission of the Community Development Department is to protect public health, safety, and welfare; enhance the community through long range and current planning; support affordable housing initiatives; and ensure building safety and code compliance while providing for inclusive and transparent planning and policy making processes that encourage participation from the community.

Description

The Community Development Department coordinates and manages the City's development-related functions such as long-range planning, development review, entitlement and permit processing, building inspection services, and code compliance. The Department serves as a "clearinghouse" for all development-related housing and economic development services. It also functions as the environmental coordinator for the City, ensuring compliance with the California Environmental Quality Act (CEQA), and the National Environmental Policy Act (NEPA)

The Department provides staff support to the City Council, Planning Commission, the Historic Preservation Commission, the Sustainability Commission, the General Plan Advisory Committee, the Bay Conservation and Development Commission (BCDC), and the Golden Gate National Recreation Area (GGNRNA).

The department consists of the following divisions:

PLANNING DIVISION

The Planning Division processes applications for discretionary planning permits for development projects proposed by private individuals and undertakes the preparation of advanced planning projects such as plan and ordinance amendments. The Division provides staff support for the Planning Commission, Historic Preservation Commission, Sustainability Commission and General Plan Advisory Committee. Additionally, the Code Enforcement Officer enforces the City's development regulations and permit conditions.

The Planning Division's responsibilities are as follows:

1. **CURRENT PLANNING.** Planning Division staff provide support to the Planning Commission, Historical Landmarks Board, Trees and Views Committee, and City Council. Planning staff review and analyze applications for various permits, including design review permits, conditional use permits, sign permits, variances, and zoning permits. Staff also evaluate and determine the appropriate level of environmental review for current planning projects. The Community Development Director reviews and acts upon certain minor permits as the City's Zoning Administrator.

2. **ADVANCED PLANNING.** Planning Division staff prepare and update long-range plans, including the General Plan Elements and the Marinship Specific Plan on an as-needed basis. In addition, updates and modifications of the City's development regulations are handled by the Planning Division staff. Special projects, including protection of historical resources, preparation of economic development studies, and creation of design guidelines are advance planning projects handled by the planning staff.
3. **CODE ENFORCEMENT.** Planning Division staff investigate complaints regarding violations of the Municipal Code and Zoning Ordinance on private and public property, as well as City's development regulations and permit conditions. Upon receipt of a complaint, Planning staff contact the property and/or business owners, provide options for compliance, and if compliance is not achieved, issue citations. Code enforcement is generally handled on a complaint basis.
4. **PUBLIC INFORMATION.** Planning Division staff maintains information for residents, property owners, and business owners regarding land use and zoning matters, as well as property records for all parcels within the City limits. This service is available over 40 hours per week at the public counter, in addition to via telephone and email.

BUILDING DIVISION

The Building Division ensures private and public construction projects comply with the California Construction Codes. The Building Division staff advise the City Council on the periodic local amendments of the California Construction Codes. Building Division staff provide information to the public on compliance with the California Construction Codes.

The Building Division's responsibilities are as follows:

1. **PLAN CHECK.** Building Division staff administer the plan check process for the review of construction plans to ensure the plans comply with the California Construction Codes and the local amendments adopted by the City. Depending upon the scope of the project, plan checks may involve review of the plans by staff from the Planning Division, Engineering Division, Southern Marin Fire Protection District, the City's plan check consultants.
2. **BUILDING PERMIT.** Building Division staff calculate building permit fees and issue building permits following approval of construction plans in the plan check process noted above. Upon completion of the construction project, Building Division staff verify all permit requirements have been met prior to completion of final inspection.
3. **BUILDING INSPECTION.** Building Division staff conduct in-progress inspections of projects with active building permits. Inspections need to be scheduled ahead of time.

4. **CODE ENFORCEMENT.** Building Division staff investigate complaints of unpermitted construction. Upon becoming aware of an alleged violation, Building staff, in concert with Planning Division staff, contact the responsible parties, provide options for compliance, and if compliance is not achieved, issue citations.
5. **PUBLIC INFORMATION.** Building Division staff maintains information for residents, property owners, and business owners regarding building permits and construction records for all parcels within the City limits. This service is available over 40 hours per week at the public counter, in addition to via telephone and email. The Building staff also administer the Residential Building Report program for sale of residential properties.

Service Priorities

- Protect and enhance the public health, safety, and welfare of community members.
- Create safe, livable, connected, and walkable neighborhoods.
- Be responsive to residents, Councilmembers, Commissioners, staff, and the community.

Staffing

The department consists of a Director, Senior Planner, two Assistant Planners, Permit Technician, Admin Aide, Building Inspector, and Part-Time Contract Building Official, Part-Time Contract Building Inspectors, and a Part-Time Code Enforcement Officer.

Service Level Changes

The budget includes reclass of Associate Planner to Assistant Planner position and Permit Technician to Admin Aide position. This change will provide for improved customer service and reduced entitlement review processing time and will also support completion of the LCP update. The budget also includes \$50,000 for conducting a cost allocation, user fee and development impact fee study, \$69,000 for Housing Element Update, and a saving of \$30,000 for implementing virtual building inspections instead of in-person inspection

Budget Highlights / Summary of Changes

Community Development Department budget includes salaries and benefit costs for the assigned staff per the applicable MOUs with the bargaining units. Contract expenditures are budgeted for professional services which reflect a 2% increase over the prior fiscal year's budget. The FY 2020-21 budget includes reduced work week (72 hours per pay period) for SEIU employees, and cancellation of step and merit increases for both confidential and management staff to help General Fund balance its budget.

Fiscal Year 2019-2020 Accomplishments

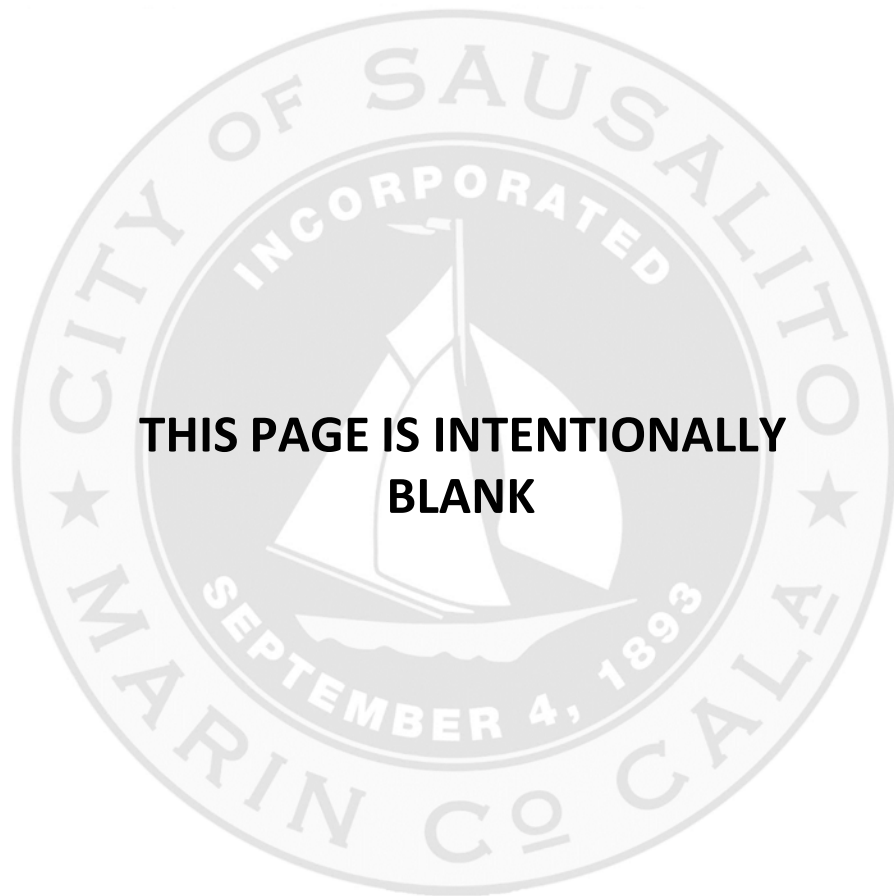
- Advanced the General Plan Update project, including:
 - Serving a General Plan Advisory Committee over the course of 14 meetings;
 - Serving a General Plan Working Group over the course of 7 meetings;

- Facilitating two Community Workshops;
- Publishing the draft General Plan for public review;
- Publishing the draft EIR for public review.
- Responded to over 2,974 individual inquiries at the public counter related to building and planning code questions and submittals
- Issued 472 building permits with a total valuation of \$13,114,834.98.
- Accepted 56 applications for discretionary permits (e.g., Design Review, Conditional Use Permits) and 180 ministerial permits (e.g., Zoning Permits, Occupational Use Permits).
- Served the Planning Commission as they made decisions on 47 discretionary permits.
- Hired in-house Assistant and Senior Planners.
- Managed the contract for contract planning services.
- Managed the contract for building inspection, plan check and code compliance services.
- Prepared, in collaboration with the City Attorney, draft accessory dwelling unit, wireless and cannabis ordinance revisions.
- Continued to enforce restrictions on short-term rentals.
- Conducted an audit of planning applications.
- Applied for and was granted \$160,000 in SB2 grant funding for housing-related planning projects.
- Initiated, with the County of Marin and other participating jurisdictions, the drafting of Objective Design and Development Standards (SB2 funds).
- Applied for \$65,000 in LEAP grant funds for upcoming Housing Element Update.
- Developed and implemented a completely virtual Planning and Building permit issuance system.
- Developed and implemented virtual building permit inspection procedures.
- Developed and implemented virtual counter hours for code questions and permit submissions.

Fiscal Year 2020-2021 Goals / Strategic Plan Elements

- Complete General Plan Update and adopt EIR
- Complete the CDD digitalization project and launch a public portal for the public to view property files (Strong Organization and Community Identity)
- Hire second Assistant Planner (Strong Organization)
- Conduct Fee Study for Building Permit fees and update fees accordingly
- Complete update Ordinance for Accessory Dwelling Units\Initiate Housing Element Update for 2023-2031 planning cycle
- Initiate systematic development of programs in the Environmental Quality, Health, Safety & Community Resilience, Sustainability, Land Use & Growth Management, Circulation & Parking, Community Design, Historic and Cultural Preservation, and Economic Elements intended to implement the goals and objectives of the adopted General Plan based on priorities in the adopted implementation schedule (Improve infrastructure while addressing climate change and ensuring resiliency)
- Evaluate maintaining the current prohibition on short-term rentals or developing a pilot program/ordinance regulating short-term rentals

- Consider modifications to Zoning Regulations regarding cannabis businesses
- Explore e-notification system for permit applications/public hearings
- Continue to implement and refine virtual counter systems (Strong Organization)
- Continue to work collaboratively with the County of Marin and other Marin County jurisdictions of development of the Objective Design Standards, Inclusionary Housing Fee Study, and county-wide Accessory Dwelling Unit Website (Comprehensive planning to balance community's character and diversity with evolving needs)
- Assist Public Works in the annual review of the City's Five-Year CIP document and ensure Planning Commission review of the capital projects for General Plan consistency



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**City of Sausalito
FY2020-21 Budget**

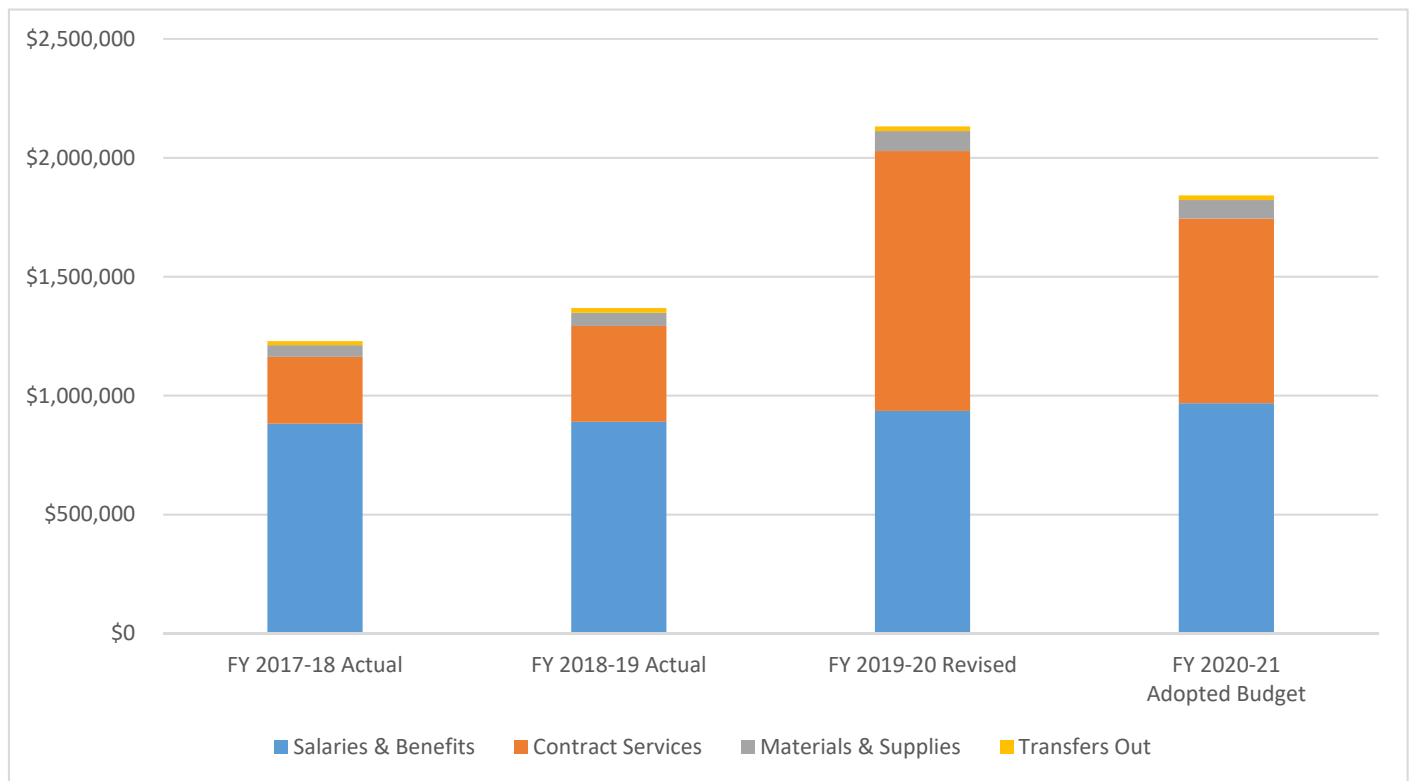
Community Development - Total

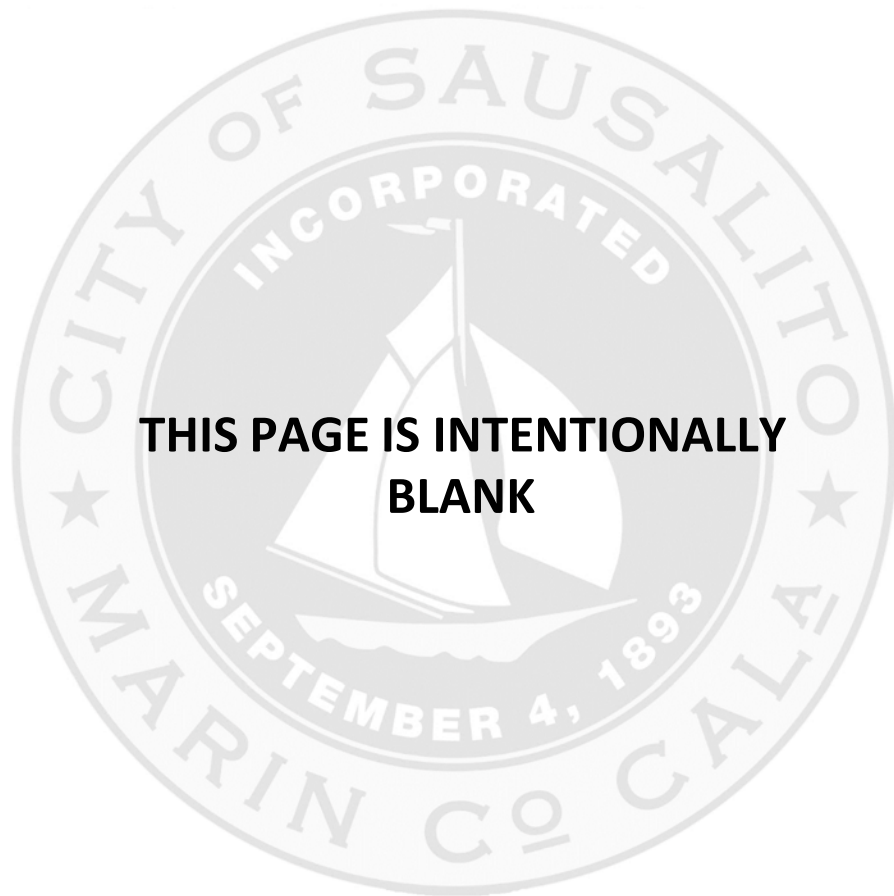
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget
Expenditures				
Salaries & Benefits	\$882,000	\$889,700	\$935,900	\$968,200
Contract Services	\$280,700	\$403,100	\$1,092,000	\$776,200
Materials & Supplies	\$49,600	\$56,000	\$84,200	\$77,500
Transfers Out	\$16,900	\$19,100	\$19,600	\$19,600
Total	\$ 1,229,200	\$ 1,367,900	\$ 2,131,700	\$ 1,841,500

Full-Time Equivalent Employees

7

7



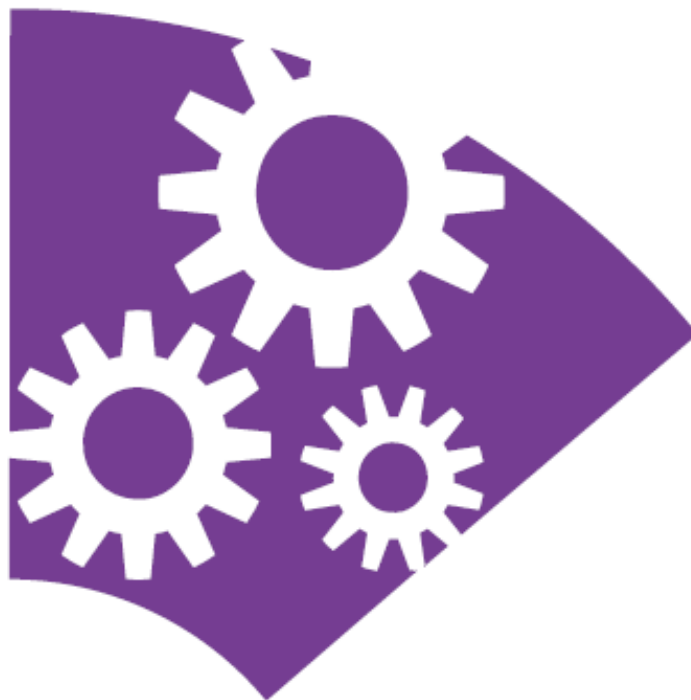


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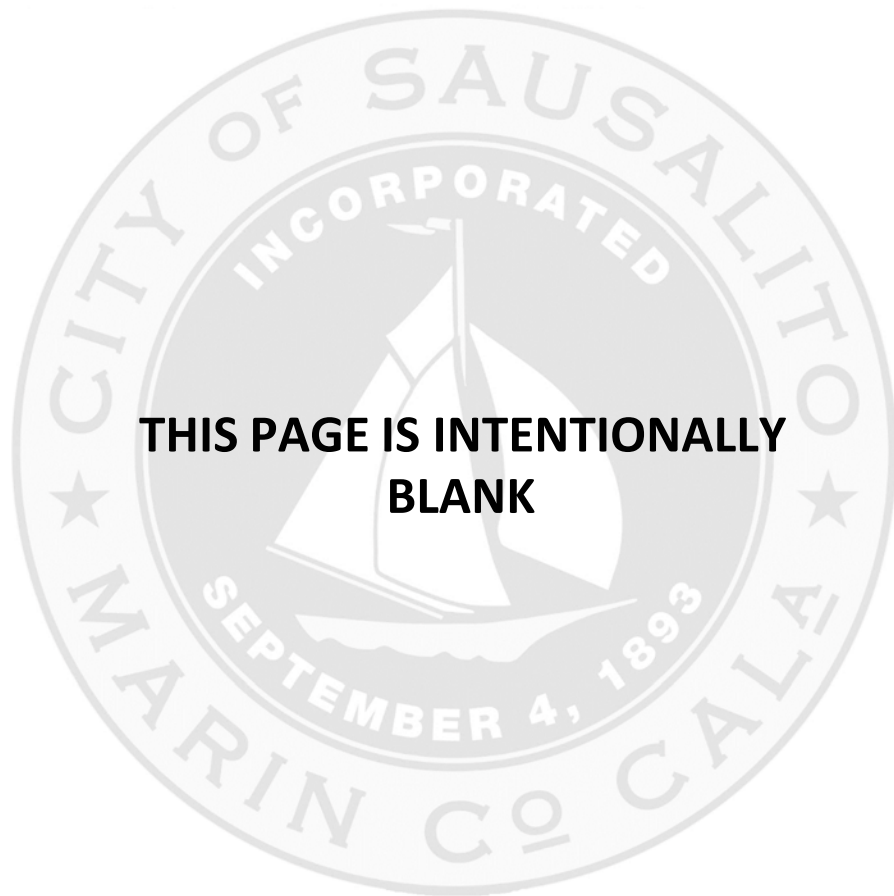


CITY OF SAUSALITO

Public Works



Public Works



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Public Works Department

Mission

The mission of the Public Works Department is dedicated to excellence, integrity, and environmental stewardship and the management of the City's infrastructure. We promote safety and livability through effective management of streets, parks, facilities, and utilities.

Vision

Making Sausalito the premier place to live, work, play and congregate.

Description

The Public Works Department coordinates and manages maintenance, replacement, and enhancement of City infrastructure, including streets, street lights, street and regulatory markings and signage, medians, parkways, the storm water collection and conveyance system, the sewer collection system, parks and trails, as well as public facilities. The Department develops, manages, and implements the City's Capital Improvement Program (CIP), reviews private development applications, coordinates with adjacent jurisdictions such as Caltrans on Highways 101, manages and oversees the City's solid waste franchise agreement, develops and implements sustainability programs, and ensures private and public compliance with local, state, and federal regulations, including the Federal Clean Water Act, National Pollutant Discharge Elimination System, and other regulatory requirements related to public access and sanitary compliance. The Department also serves as liaison to the Mill Valley Sewer Authority.

Service Priorities

- Protect and enhance the public health, safety, and welfare of the community.
- Maintain critical City infrastructure, parks, City trails, and public facilities.
- Develop and implement the City's Capital Improvement Program (CIP).
- Implement preventive maintenance efforts where possible to reduce costly replacement.
- Implement complete streets and neighborhood traffic calming to enhance quality of life in existing and new neighborhoods.
- Encourage multi-modal transportation in maintenance and Capital Improvements.
- Incorporate green infrastructure, watershed management, and habitat enhancement / protection into capital infrastructure planning and design efforts.
- Identify and implement sustainability programs as directed by the City Council.
- Monitor and manage the City's new 10-year solid waste franchise agreement.
- Manage the operation of City's sanitary sewer system and management of sewer treatment agreement.
- Act as staff for the City's Pedestrian Bicycle Advisory Committee
- Provide technical resources for other City departments.
- Management of many professional services engineers and construction contracts.

Staffing

The Public Works Department consists of a Director/City Engineer, Senior Engineer, Division Manager, Assistant Engineer, Public Works Supervisor, Fleet Maintenance Coordinator, 5 Maintenance Workers, a Sewer Systems Coordinator, 2 Sewer Maintenance Workers and a Permit Technician.

Service Level Changes

The Fleet Coordinator position will be eliminated with the retirement of current incumbent and this function will be outsourced.

Budget Highlights / Summary of Changes

Public Works Department budget includes salaries and benefit costs for the assigned staff per the applicable MOUs with the bargaining units. Contract expenditures are budgeted for professional services which reflect a 2% increase over the prior fiscal year's budget. The FY 2020-21 budget includes reduced work week to 72 hours per pay period for SEIU employees, and cancellation of step and merit increases for both confidential and management staff to help the General Fund balance its budget.

To balance the General Fund Budget due to COVID-19 induced revenue shortfall, the Department will be providing engineering services to Mill Valley with an estimated revenue of \$128,600. In addition, the Department's operating budget will be reduced by \$236,000 in various cost categories to help balance the budget.

The Department is comprised of the following divisions:

Engineering Division

Mission

The mission of the Engineering Division is to protect public health and safety, and improve the quality of life of residents and visitors by ensuring safe and functional streets, bridges, intersections, and infrastructure that are designed, inspected, and maintained in accordance with best practices and applicable local, state, and federal regulations and laws.

Description

The Engineering Division is responsible for providing land development review services for private development, issuance of applicable permits, assisting with environmental reviews, coordination with other divisions, consultant engineers, and other utility providers in the design and construction of new public and privately funded projects and infrastructure. This division serves as lead on the preparation of studies and master plans of the City's streets, buildings and grounds, and sewage and drainage systems. The Division is responsible for managing the Traffic Safety Committee and related traffic safety regulations. The division is responsible for the implementation of the capital improvement program which can include acquisition and compliance with state and federal granted projects.

Facilities Maintenance Division

Mission

The mission of the Infrastructure and Facilities Maintenance Division is to proactively maintain and enhance City streets, parks, public trails, public facilities and infrastructure to ensure compliance with local, state, and federal laws, and continued functional and safe operations and use.

Description

The Infrastructure and Facilities Maintenance Division provides cost-effective and timely maintenance of City street systems which include but are not limited to road maintenance, storm drain maintenance and repair, street signage maintenance, vegetation management, sidewalk and facility repair management. The Facilities maintenance division responds to emergencies within the City by assisting Police and Fire with disaster response and on occasion taking the lead on response to emergencies. This division works closely with the Engineering division personnel and other department personnel to address repairs to facilities and identifies larger projects to be included in the Capital Improvement Program.

Sanitary Division

Mission

The mission of the Sewer Division to responsibly maintain, manage and enhance the City's sewer distribution system to ensure compliance with local, state, and federal laws, and continue its functional and safe operations and use.

Description

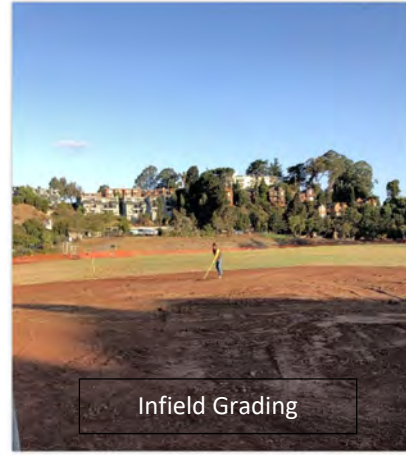
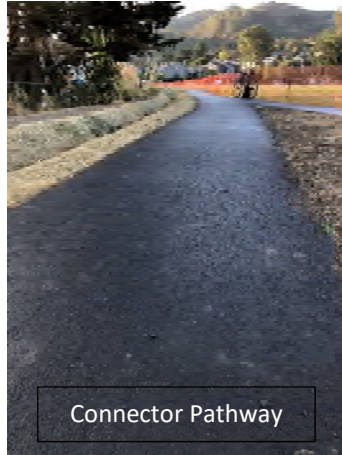
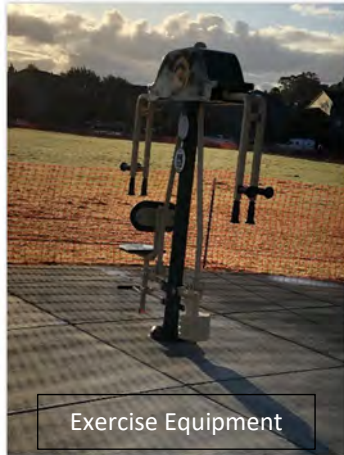
The Sanitary Division provides cost-effective and timely maintenance of City Sanitary Distribution systems which include but are not limited to cleaning operations, USA marking for other utility work, quarterly reporting to regulatory agencies regarding spills and the condition of the existing system. In addition this division is responsible for developing the capital improvement program related to the existing sanitary distribution system and coordination with our downstream partners for the processing of sanitary flow. Personnel within this division respond to emergencies and are trained in confined space entry in order to manage these systems. This division reviews design applications for new and updates lateral services as well as provides technical expertise to the engineering division on other capital projects.

Fiscal Year 2019-2020 Accomplishments

Capital Improvements

Martin Luther King Park Renovation

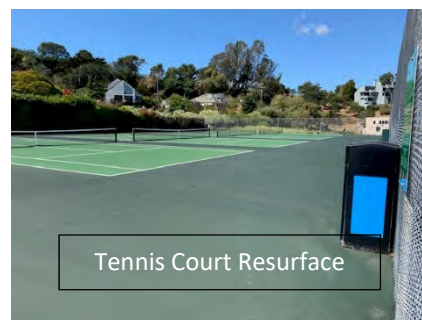
Description of work: This project included the regrading of the field area to improve drainage, installation of storm drain facilities, installation of a circumferential pathway connecting Ebbtide and Coloma to the restroom and parking lot areas, outdoor exercise equipment, and replacement of the grass and irrigation systems.



The project was funded from a wide range of sources including Certificates of Participation, Measure O Funds, and more. The project was completed in May 2020.

Martin Luther King Park Tennis Court Improvements

Description of work: This project included resurfacing of the existing tennis courts located on the MLK campus. The installation of new pathways, accessible parking stalls, landscaping, and installation of a new gate, nets and improvements were also included in this project.



This project was funded from various sources including but not limited to Certificate of Participation, Measure O funds and the MLK Funds.

Martin Luther King Basketball & Pickleball Courts

Description of work: This project included reconfiguring the current basketball court to include a pickleball court, resurfacing of the existing outdoor basketball court system and the installation of new equipment and fencing at the MLK campus.



This project was funded from various sources including but not limited to Certificate of Participation, Measure O funds and the MLK Funds

2019 Storm Disaster – Debris Removal (Sausalito Blvd. To Crescent)

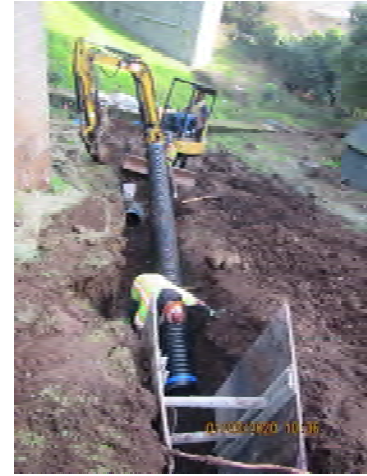
Description of work: In February 2019 a landslide occurring on National Park Service Property above Sausalito Blvd. crossed Sausalito Blvd. and proceeded to damage several houses before depositing debris on Crescent Ave. In the fall of 2019 the remains of the damaged properties as well and the soil from the landslide was removed. A specialty contractor was brought in to perform the work in compliance with the federal Emergency Management Agency requirements.



This project was partially supported by Funding from FEMA. Significant coordination was involved with this project including but not limited to the City utilizing an outside firm to assist with managing the FEMA paperwork and construction management which is not reflected in the construction cost noted.

2019 Storm Disaster – Winterization Measures (Sausalito Blvd. To Crescent)

Description of work: The second phase of the city repairs associated with the 2019 mudslide disaster included the installation of winterization measures to protect downslope properties after the debris from the mudslide occurred. Work included the replacement of an existing storm drain system above Sausalito Blvd., installation of erosion control measures and the installation of a subdrain system to manage subterranean flow near Crescent Avenue.



This work was funded by the City's disaster Fund and does not include consultant services for managing the work.

Parking Lot 2 Renovation

Description of work: This project included the renovation of Parking Lot 2 which is located adjacent to the Bank of America Building next to Bridgeway in downtown. The work included the reconstruction of the parking surface, the installation of a bioswale area and over-excavation areas to address sub-base failure areas in this lot.



The project encountered some complexities with its completion including the relocation of storm drain line due to the unknown alignment of a gas line in the area and the removal of old pilings in the area which were utilized a dock system many years ago.

SANITARY DIVISION

- Emergency repair of Cazneau sewer system.
- Provided quarterly and annual reports to the USEPA and the CA Regional Water Quality Control Board as required under an Order of Compliance
- Provided management of the City's sewer lateral grant assistance program
- Provided Public Assistance for residents regarding private shared sewer lateral systems.
- Completed and adopted new Sewer System Management Plan
- Continued implementation of Cityworks Asset Management program
- Emergency response to overflows and sewer related systems.
- Completed sewer rate study and passed the sewer tax measures to support capital improvements
- Performed more than 800-feet of public sewer system repairs and replacements.
- Completed 8 public sanitary sewer manhole interior rehabilitations.
- Completed 4 public sanitary sewer manhole frame and lid replacements

Fiscal Year 2020-2021 Goals / Strategic Plan Elements (All DPW)

Implement the projects identified within the City's Capital Improvement Program

Finalize the construction of the City's Parks Projects including the following:

- Dunphy Park Improvement Project Phase 1
- Dunphy Park Soil Stockpile Removal
- Dunphy Park South Area Improvements
- Southview Park Improvement Project
- 2019/20 Street Resurfacing – Bee and Bonita
- 2019 Storm Damage Repair – Permanent Storm Drain Restoration
- Implement the Gate 6 Intersection Improvement Project

Continue to manage the following maintenance activities

- Storm Drain Annual Repair
- Annual Minor Roadway Repair
- Annual Vegetation Management
- Annual Sewer Maintenance and Cleaning Operations

Continue to develop the following projects

- Ferry Landside Improvement Project

Finalize the Sausalito/SMCSD Consolidation – Phase 2

Sanitary Projects

- Anchor & Spinnaker Pump Station
- Alexander Beach Sewer Improvements
- System Vide CCTV
- Bee Street Pipeline Replacement
- Liberty Ship Sewer Improvements
- 3rd Street Sewer Rehabilitation
- Provide assistance to SMCS D regarding the Whiskey Springs Pump Station Project.
- Implement improvements to the West Street Sanitary system

**City of Sausalito
FY2020-21 Budget**

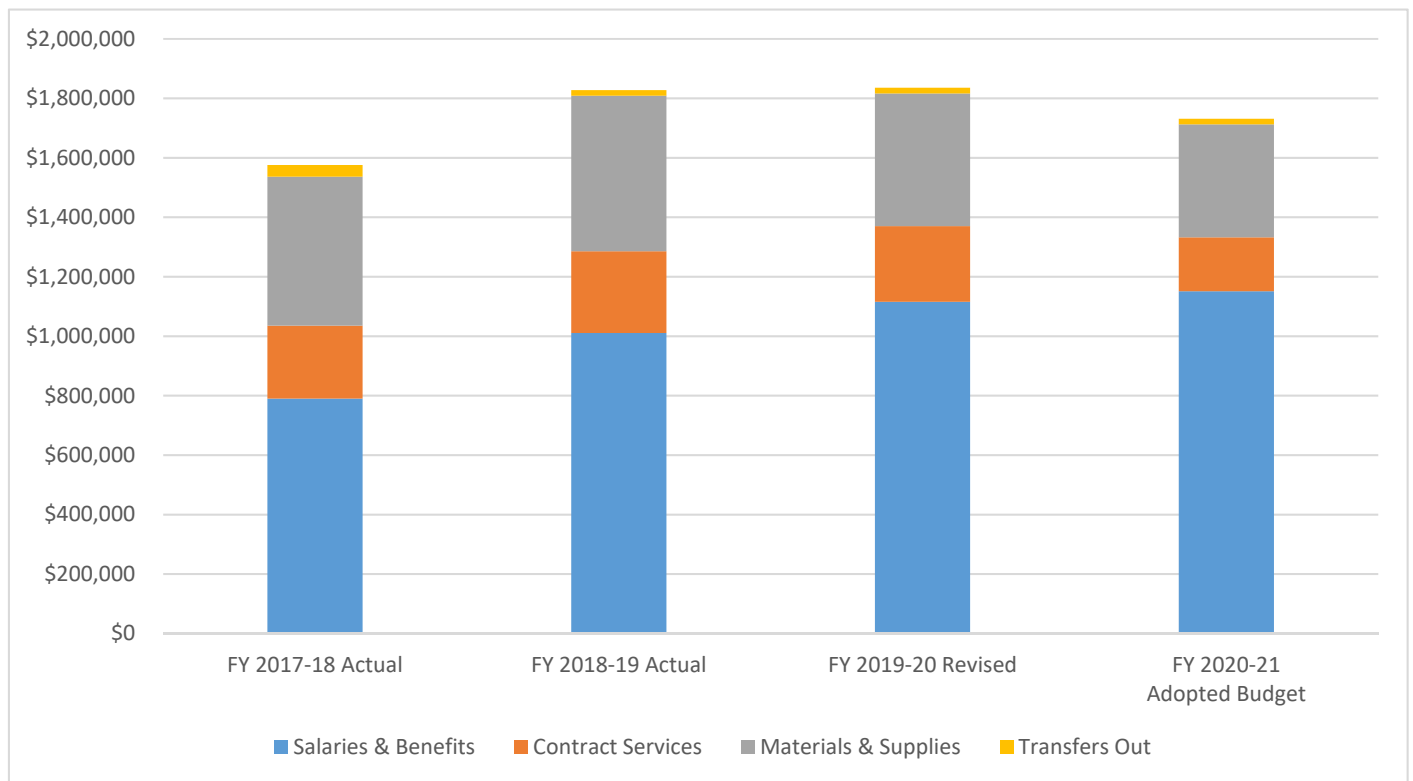
Public Works - Total

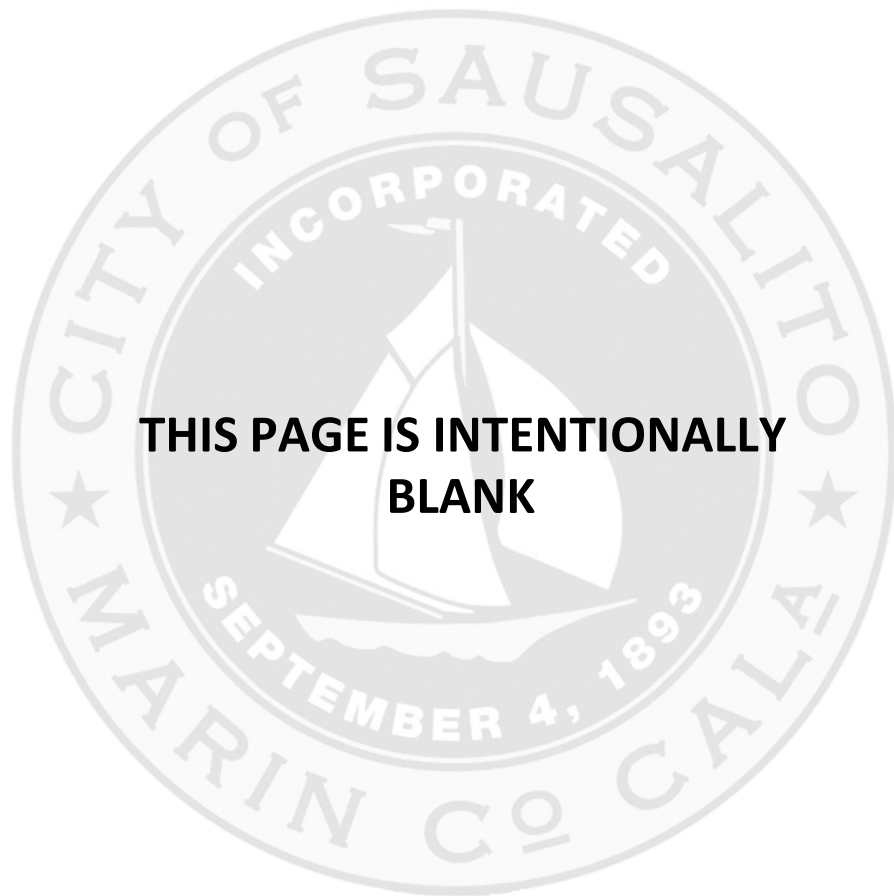
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget
Expenditures				
Salaries & Benefits	\$789,800	1,010,700	\$1,115,500	\$1,151,000
Contract Services	\$245,800	\$274,900	\$254,400	\$181,500
Materials & Supplies	\$500,800	\$522,900	\$446,400	\$379,600
Transfers Out	\$39,200	\$19,200	\$19,100	\$19,100
Total	\$ 1,575,600	\$ 1,827,700	\$ 1,835,400	\$ 1,731,200

Full-Time Equivalent Employees

15

15





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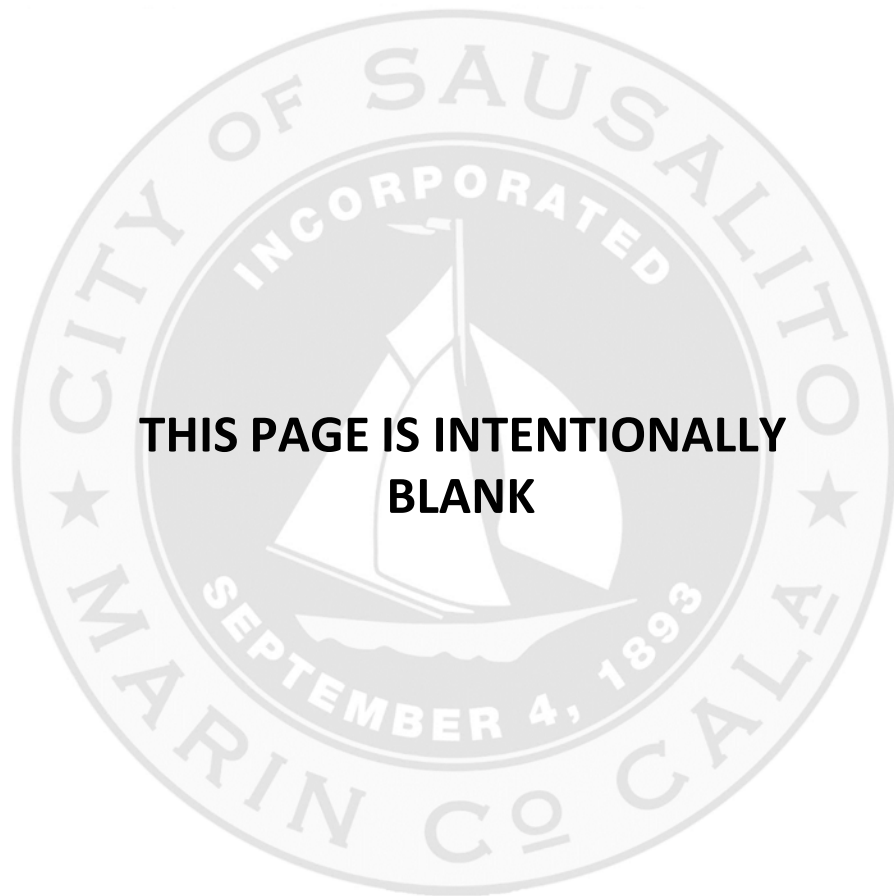


CITY OF SAUSALITO

Parks & Recreation



Parks and Recreation



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Parks & Recreation

Mission

The Sausalito Parks & Recreation Department's mission is to provide quality programs to Sausalito and its community that enhance growth, expression and recreation through people, parks and programs.

Description

The Department has over 300 youth and adult classes per year, registers 4,000 class participants, processes 9,500 drop-in registrations, 1,000 facility rentals, 60 film, banner or special event permits, and produces 20 special events per year. The Department coordinates with Sausalito Beautiful, Rotary Club, Woman's Club, Lion's Club, Chamber of Commerce, Sausalito Village, CARSS, Historical Society, and Sausalito Sister Cities.

Service Priorities

- Provide and expand quality recreational services and opportunities to individuals and families.
- Provide and expand health and wellness opportunities to youth, adults, and seniors.
- Provide and expand enrichment activities for all ages.
- Provide community gathering and meeting spaces through facility rentals.
- Provide opportunities for community engagement in recreation services programs.
- Provide quality well maintained parks and other recreation facilities for residents and visitors.

Staffing

Department staffing includes Parks and Recreation Director, 1.5 Recreation Supervisors, 2 Landscape Worker 1's, 1 Landscape Worker II, a Lead Custodian and a Custodian.

Service Level Changes

Due to the COVID-19 and SIP conditions, various recreational classes and special events are cancelled and funding reduced in the adopted budget. The Department is now working with the School District and parents to provide rooms and instructors for learning pods as well as after school activities. All programs are strictly following County Health Department guidelines.

Budget Highlights / Summary of Changes

There are various cuts in operating categories such as: stop production of Quarterly Sausalito Magazine, eliminate downtown hanging baskets, and greatly reduce park and median maintenance contractual budget. In addition One Admin Aide and 0.5 Recreation Supervisor position are also eliminated in the current year along with various professional services expenditure budget associated with this position.

Fiscal Year 2019-2020 Accomplishments

Fiscal Year 2019-2020 was a busy year in Parks and Recreation:

- Worked closely with the Public Works Department on both MLK and Southview parks

- Applied for and received \$275,000 grant from the National Fish and Wildlife Foundation as part of the Cosco Bousan settlement.
- Hired new Recreation Supervisor – Programs and Classes
- Offered more youth summer camps than ever before
- Continued beautification of Parks and Medians
- Partnered with Sausalito Beautiful and over 80 volunteers to plant 50 trees and 50 bushes at MLK Park.
- Staff set up new irrigation for new trees and bushes
- Assisted with the Ice House Plaza renovation by providing improved automated irrigation to plaza areas and area between Parking Lot 3 and Bridgeway
- Updated sprinkler timers at eight parks
- Constant cleaning of City Hall to prevent the spread of Covid 19
- Partnered with the Library to provide charging and gathering stations during PSPS events
- Produced multiple successful special events including Jazz and Blues by the Bay 2019, Holiday events, Souper Bowl, two City-Wide Yard Sales, and planned for the 2020 season of Jazz and Blues by the Bay
- Participated in General Plan preparation

Fiscal Year 2020-2021 Goals / Strategic Plan Elements

FY 2020-2021 has so far proven to be a busy and challenging year for the Parks and Recreation Department. With both the Special Events Supervisor and Administrative Aid on loan to other Departments the remaining staff of Director and one Supervisor have been very busy and will continue to be so with the following:

- Covid Support for City Hall, Residents, and Businesses (Community Identity and Fiscal resiliency)
- Caledonia Street Dining Pilot Project (Community Identity and Fiscal resiliency)
- Development and coordination of Learning Pods (Community Identity)
- Providing After School Programming (Community Identity and Fiscal resiliency)
- Assisting with the Southview Park Improvement Project
- Finalizing the Dunphy Park Improvement Project
- Begin the initial planning for the future Langendorf Park Improvement Project
- Bringing Special Events back to Sausalito once the Covid crisis is over (Community Identity)

**City of Sausalito
FY2020-21 Budget**

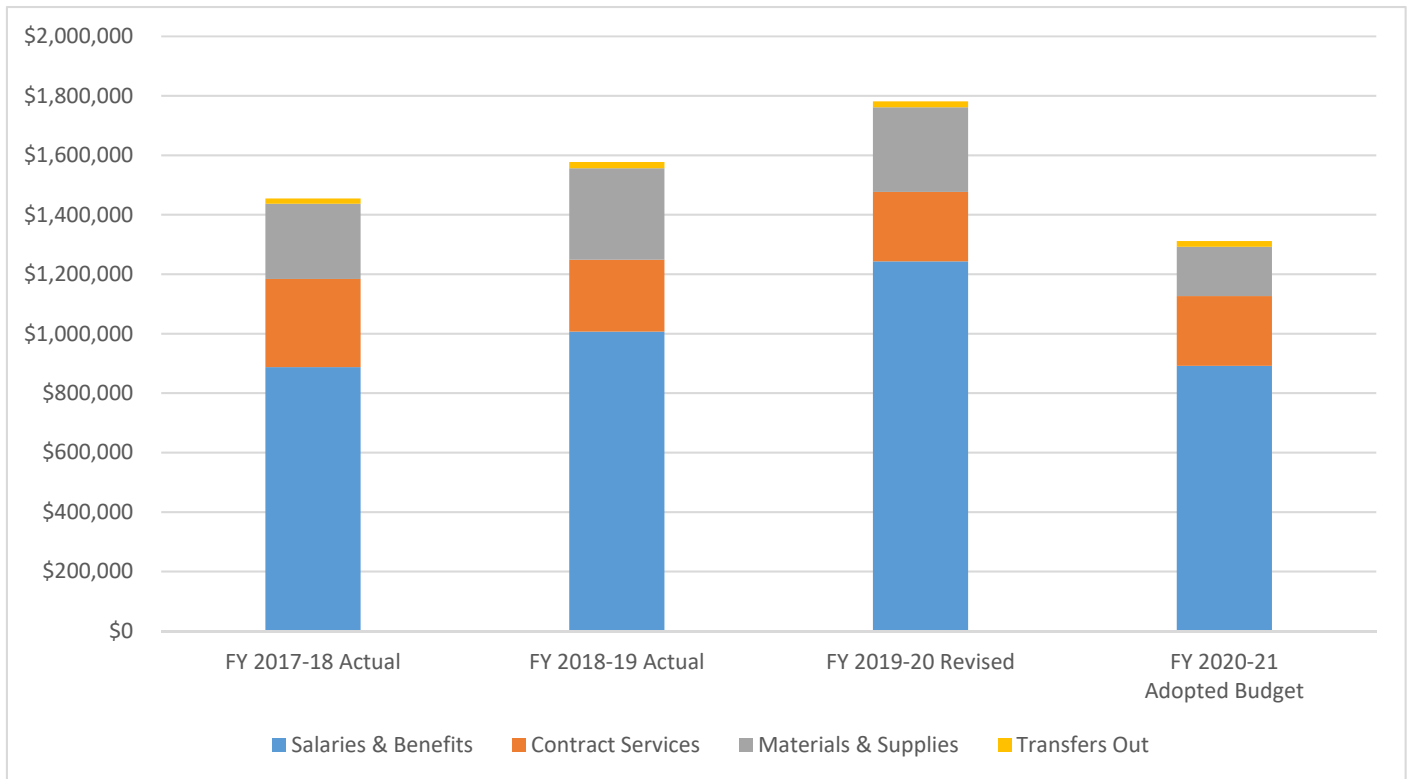
Parks & Recreation - Total

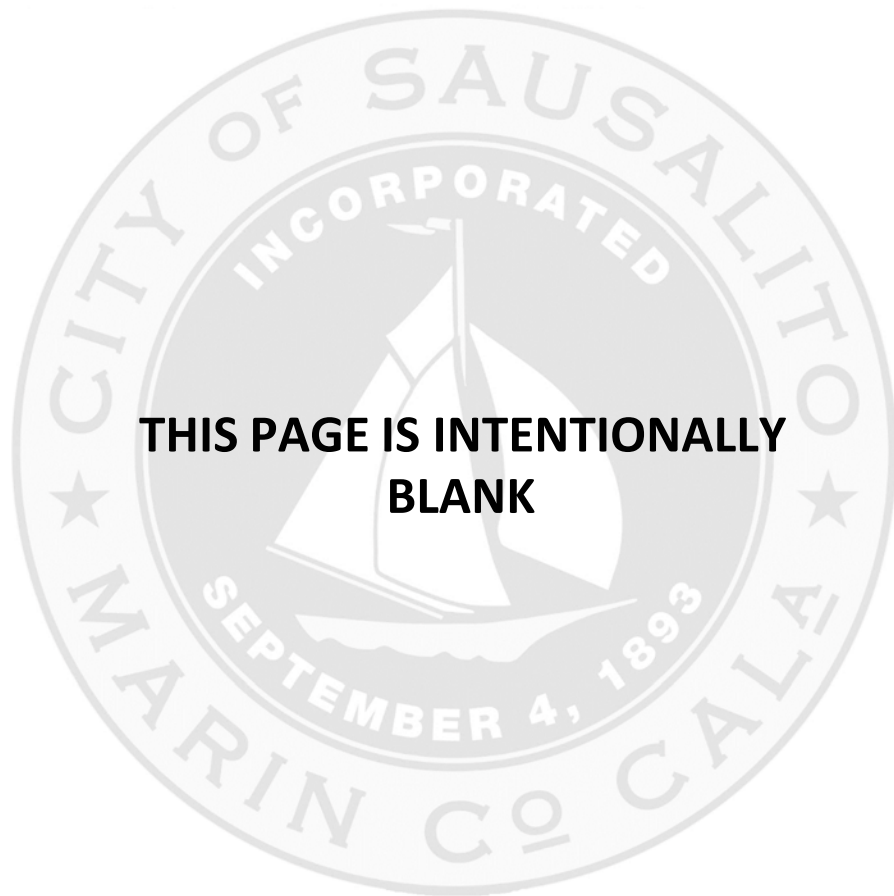
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget
Expenditures				
Salaries & Benefits	\$887,200	1,006,800	\$1,243,100	\$891,500
Contract Services	\$296,700	\$241,900	\$233,500	\$234,600
Materials & Supplies	\$252,900	\$307,700	\$284,800	\$165,900
Transfers Out	\$17,500	\$20,800	\$19,500	\$19,500
Total	\$ 1,454,300	\$ 1,577,200	\$ 1,780,900	\$ 1,311,500

Full-Time Equivalent Employees

9

7.5



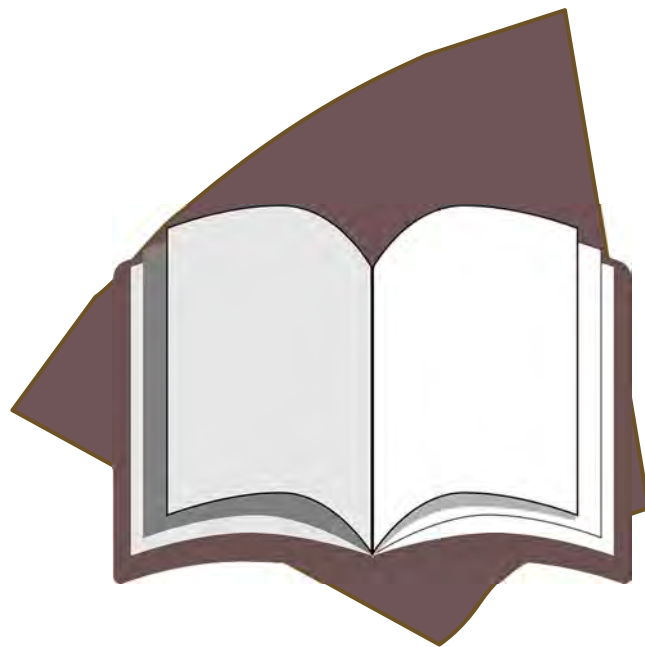


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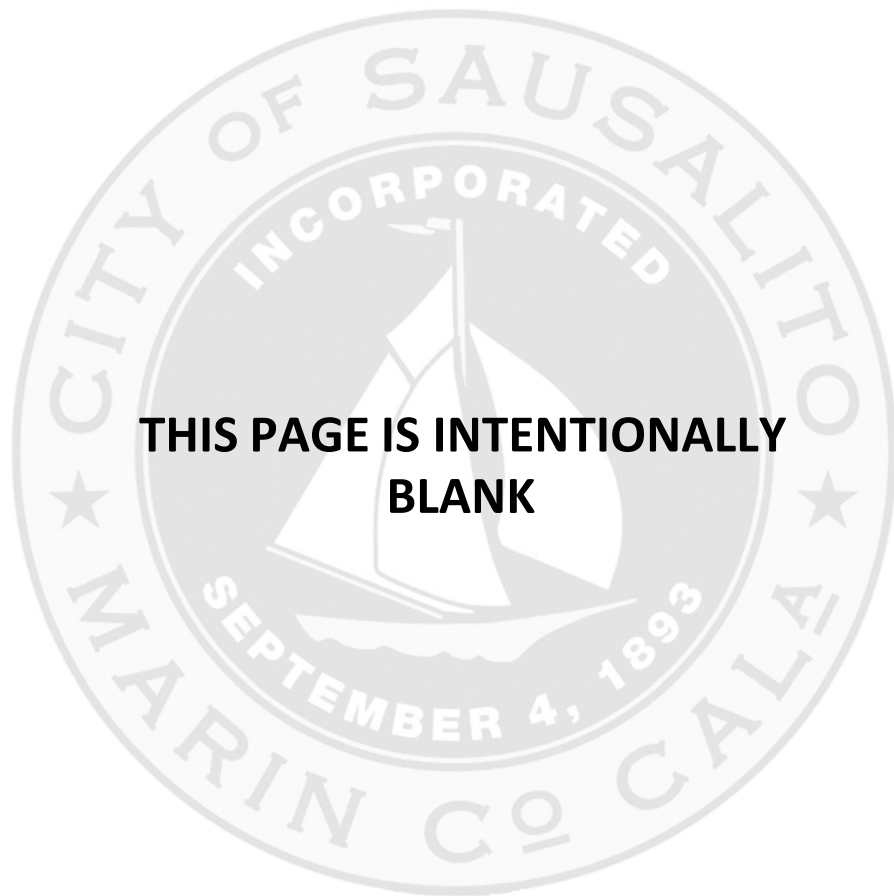


CITY OF SAUSALITO

Library



Library



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Library

Mission

“The Sausalito Public Library is a focal point of the community, dedicated to continuing education and the right of free access to information.”

Description

The Sausalito Public Library is located inside City Hall at 420 Litho Street. Resources available from the library include comfortable seating, public internet stations, free Wi-Fi for laptop users, programs for adults and children, and large collections of books, audiobooks, movies, and children's materials. Our website features our online library catalog, downloadable e-books and e-audiobooks, streaming movies, and a digital archive of Sausalito newspapers dating back to 1893. As a member of the MARINet consortium, library users may request books and other materials at no cost from public and academic libraries in Marin.

The City Librarian is also the Director of Communications, managing the Currents e-newsletter and the City's website.

Service Priorities

- Satisfy the information needs of the community through physical and digital collections of shared resources
- Provide a comfortable and inviting “community living room”
- Instill a joy of lifelong learning in children through our children's room, story times, and special programs
- Build community through educational lectures and programs that bring people together
- Provide internet and computer access to those who may not have it

Staffing

Department staffing consists of a City Librarian/Director of Communications, an Assistant City Librarian/Librarian II, a Children's and Young Adult Librarian/Librarian I, a Senior Library Assistant, and a Library Assistant II.

Service Level Changes

Due to the elimination of the library's budget for hourly employees in FY 2020-21, the library's open hours will be significantly reduced once people are allowed back in the building. The impact would be even more severe if not for grant funding of approximately \$125,000 from the Sausalito Library Foundation and the Friends of the Library. Cuts to the library's budget for books and other materials will also affect the quality of the library collection.

Budget Highlights / Summary of Changes

The library budget includes salaries and benefit costs for the assigned staff per the applicable MOUs with the bargaining units. Contract expenditures are budgeted for professional services which reflect a 2% increase over the prior fiscal year's budget. The FY 2020-21 budget includes a reduced work week (72 hours per pay period) for SEIU employees and the cancellation of step and merit increases for both confidential and management staff to help balance the budget for the General Fund.

Fiscal Year 2018-2020 Accomplishments

- Attendance of 900 at summer reading programs for kids from June – August 2019
- Annual attendance of 1,671 at adult library programs before the COVID-19 shutdown on March 17, 2020
- Total circulation of 51,331 physical library materials to Sausalito residents
- 22,770 checkouts by Sausalito residents from the library's collection of digital e-books, e-audiobooks, and streaming movies
- 86,282 in-person visits to the library before COVID-19 shutdown
- Successful deployment of the library space as charging center for the community during the 72-hour PSPS event in October 2019
- Addition of new Children's and Young Adult Librarian Julieanne Randolph in January 2020
- 25 innovative virtual programs offered during the shutdown that began in March 2020, including tech classes, virtual story times, gardening lectures, reading groups, and a virtual art gallery
- Partially reopened to provide curbside pickup of library materials in June 2020

Fiscal Year 2020-2021 Goals / Strategic Plan Elements

- Use creativity and innovation to maximize the library services we can provide to the public despite service constraints and budget cuts imposed by COVID-19 (Community Identity)
- Explore shared services agreements that will allow us to reduce costs while maintaining or improving service levels (Fiscal Resiliency)
- Promote racial justice through library programs, the library collection, and support for the Sausalito Marin City School District (Community Identity)

City of Sausalito FY2020-21 Budget

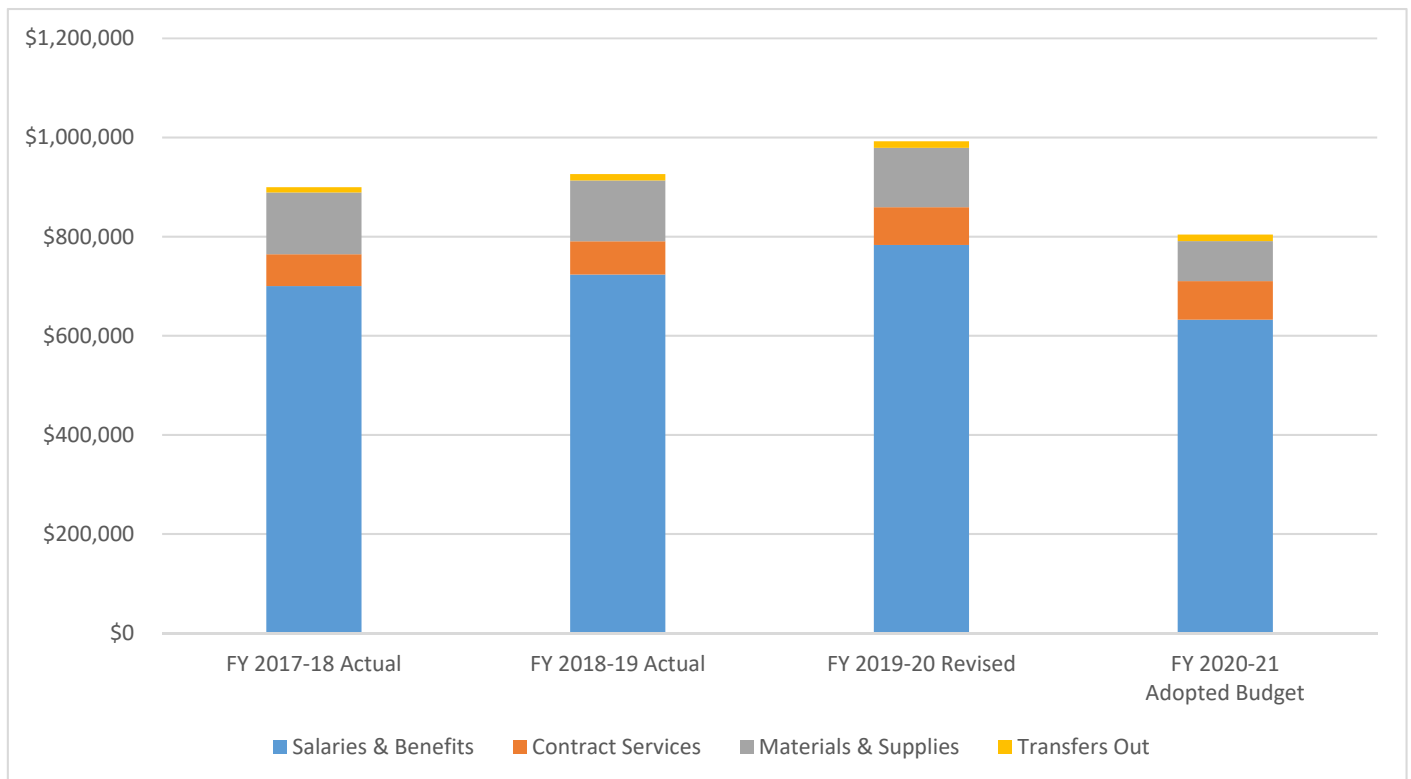
Library

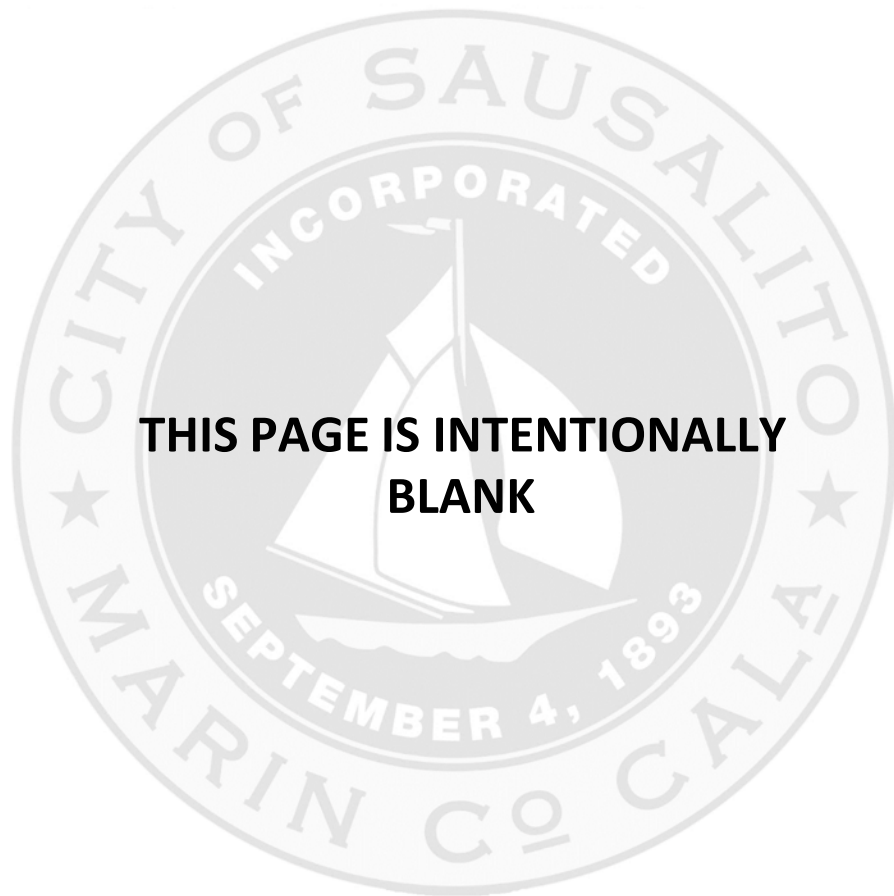
	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Revised	FY 2020-21 Adopted Budget
Expenditures				
Salaries & Benefits	\$700,000	\$723,500	\$783,100	\$632,400
Contract Services	\$64,300	\$67,100	\$76,300	\$77,800
Materials & Supplies	\$124,600	\$122,500	\$119,500	\$80,700
Transfers Out	\$10,600	\$12,900	\$13,200	\$13,200
Total	\$ 899,500	\$ 926,000	\$ 992,100	\$ 804,100

Full-Time Equivalent Employees

5

5





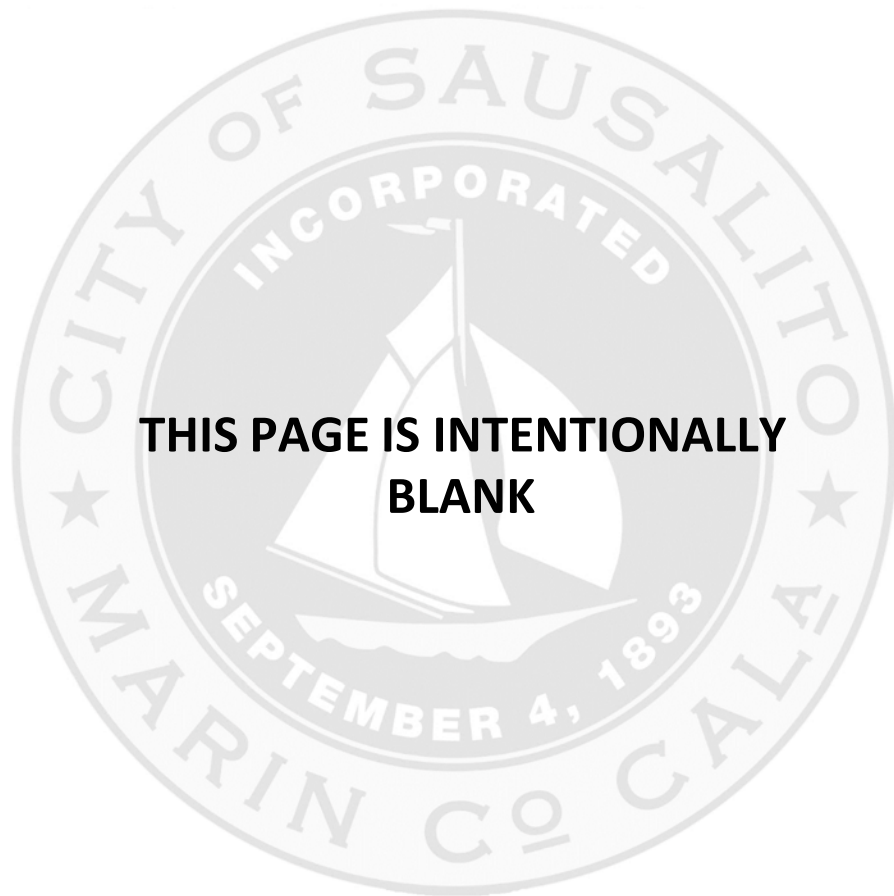
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CITY OF SAUSALITO

Enterprise Funds





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Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private businesses - where the intent of the governing body is that cost (expenses including depreciation) of providing goods or services to the general public or a specific population, i.e. ratepayers, on a continuing basis is financed or recovered primarily through user charges.

The following section summarizes the City's four enterprise funds.

SEWER OPERATING & CAPITAL (Funds 110 & 550)

The Sewer Operating/Capital is a Restricted Fund. The City of Sausalito owns and operates portions of the sanitary sewer system conveying wastewater to the Sausalito-Marin City Sanitary District (SMCSD) for treatment and discharge to the Bay. The Sewer Enterprise Fund accounts for the provision of sewer services to residences and businesses of the City. All activities to provide such services are accounted for in this fund, including but not limited to, administration, operations, capital improvements, maintenance, financing, billing and collections. Treatment services are provided by Sausalito Marin City Sanitary District.

The City's financial plan addresses four primary objectives for the Sewer Fund:

- **Meeting Operations Costs:** The sewer utility must generate sufficient revenue to cover the expenses of sewer operations, including administration, maintenance, and collection operations.



- **Meeting Capital Improvement Costs:** The sewer utility must also be able to fund necessary capital improvements.
- **Maintaining Adequate Bond Coverage:** **The City is required by its existing bond covenant to maintain a coverage ratio of rates to debt service obligations of at least 1.1 for the outstanding state revolving fund loan and will likely be expected to maintain a coverage ratio of 1.15 to 1.20 for future planned debt issuances. The benefit of maintaining a higher coverage ratio is that it strengthens the City's credit rating, which**

can help lower the interest rates for debt-funded capital projects and reduce annual debt service payments for future debt issues.

- **Building and Maintaining Reserve Funds:** The Utility maintains sufficient reserves for the following target reserve fund levels:
 - **Operating Reserves** equal to 25% of the Utility’s budgeted annual operating expenses. This reserve target is equal to a three month (or 90-day) cash cushion for normal operations. An Operating Reserve is intended to promote financial stability in the event of any unexpected short-term or emergency cash needs.
 - **Capital Reserves** equal to 3% of net depreciable capital assets of the utility for capital repair and replacement needs. This target serves simply as a starting point for addressing longer-term needs. If ratepayers can generate revenues at this level and pace, they will have reserved a partial cash resource that can be applied toward future replacement and rehabilitation needs, thereby eliminating the need to borrow this portion of the capital cost of maintaining the utility’s collection system infrastructure.
 - **Debt Reserve** equal to the reserve requirement for the outstanding state revolving fund loan and the expected reserve requirement for the planned new debt obligation, which is equal to the maximum annual debt service payment due on outstanding bonds.

OLD CITY HALL (Fund 113)

The City leases the Old City Hall to a tenant and uses this fund to account for the rent collections and related costs to administer and maintain the property. Net operating income is transferred annually to the General Fund while keeping modest reserves to meet unforeseen repairs.

The Old City Hall Fund is an Unrestricted Fund.



MLK FUND (Fund 210)

The City owns the Martin Luther King (MLK) site and leases units on the site to various tenants under operating leases with terms ranging from one to five years. The site is approximately 17 acres of land.

The MLK Fund is an Unrestricted Fund and is used to account for the following lease activities:

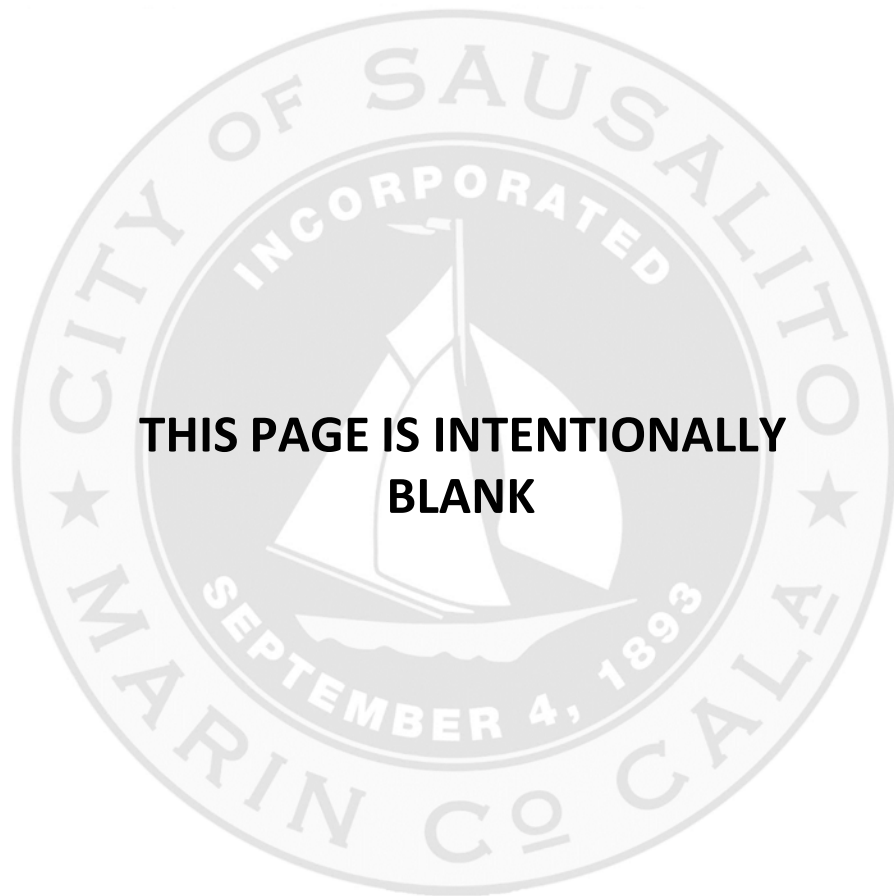
- Management of tenant leases, accounts, and terms, and public or private use of the property
- Coordinate maintenance and repair projects with DPW (or vendors directly). Monitor performance of projects, confirm they are completed to specifications and budget within time frames
- Communicate campus events, repairs, issues and items that may affect Tenant's business or property neighbors in a timely manner
- Ensure routine maintenance is completed to specifications and respond to issues and requests for maintenance or repairs in timely manner
- Implement long range schedule for property improvements and repair, tenant mix and retention, and property use

PARKING FUND (Fund 220)

The Parking Fund is an Unrestricted Fund. The Fund accounts for the provision of parking services to residents and businesses of the City. Activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, financing, billing and collections. Parking Enforcement Officers are included in the General Fund, as is revenue from parking citations.

The Parking Enterprise Fund provides on and off-street public parking spaces as a key element in maintaining the economic vitality of the downtown and surrounding activity centers. The Fund operates solely on fees collected from users. All proceeds from these operations are reinvested back into the community in the form of improving the Parking System, and transfers back to the General fund to provide for the health, safety, and welfare of the community.





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City of Sausalito
Sewer Operating/Capital Funds (110/550)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue			
Sewer Charges	2,724,100	2,898,000	3,013,900
Permits	17,800	7,500	7,500
Miscellaneous Revenue	106,300	26,400	25,000
Total Revenue	2,848,200	2,931,900	3,046,400
Expenditures			
Salaries & Benefits	296,400	905,300	845,000
Contract Services	363,200	581,100	592,800
Materials & Supplies	952,900	1,470,900	1,425,100
Capital Project*	-	500,000	1,520,000
Total Expenditures	1,612,500	3,457,300	4,382,900
Excess revenue over (under) expenditures	1,235,700	(525,400)	(1,336,500)
Other financing sources/(uses)			
Transfers in/(out)			
In from General Fund	5,000	5,000	-
In from Sewer Operating	-	-	1,520,000
Out to General Fund	(225,000)	(225,000)	(225,000)
Out to Capital Improvements Fund	(75,000)	-	-
Out to Employee Benefits Fund	(11,100)	(11,400)	(11,400)
Out to Workers Comp Fund	-	-	(90,000)
Out to Sewer Capital	-	-	(1,520,000)
Total financing sources (uses)	(306,100)	(231,400)	(326,400)
Excess revenue and other sources over (under) expenditures and other uses	929,600	(756,800)	(1,662,900)
Beginning Fund Balance, July 1	5,713,186	6,642,811	6,973,111
Ending Fund Balance, June 30	6,642,786	5,886,011	5,310,211

*Carryover funds for Whiskey Springs CIP project

City of Sausalito
Old City Hall Fund (113)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue			
Other Rentals	236,900	244,800	244,800
Miscellaneous Revenue	3,200	-	2,200
Total Revenue	240,100	244,800	247,000
Expenditures			
Salaries & Benefits	-	-	-
Contract Services	-	-	-
Materials & Supplies	28,500	10,000	10,200
Total Expenditures	28,500	10,000	10,200
Excess revenue over (under) expenditures	211,600	234,800	236,800
Other financing sources/(uses)			
Transfers in/(out)			
In from General Fund	-	-	-
Out to General Fund	(225,000)	(225,000)	(225,000)
Out to Capital Improvements Fund	-	-	-
Out to Employee Benefits Fund	-	-	-
Out to Workers Comp Fund	-	-	-
Out to Sewer Capital	-	-	-
Total financing sources (uses)	(225,000)	(225,000)	(225,000)
Excess revenue and other sources over (under) expenditures and other uses	(13,400)	9,800	11,800
Beginning Fund Balance, July 1	480,191	466,879	483,779
Ending Fund Balance, June 30	466,791	476,679	495,579

City of Sausalito
MLK Fund (210)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue			
Other Rentals	1,316,900	1,306,300	1,226,300
Grants & Contributions (Utilities)	52,500	60,000	46,500
Miscellaneous Revenue	6,300	1,000	4,000
Total Revenue	1,375,700	1,367,300	1,276,800
Expenditures			
Salaries & Benefits	136,200	202,000	150,500
Contract Services	15,900	26,000	26,600
Materials & Supplies	372,700	529,500	537,500
Debt Service	196,000	612,500	-
Total Expenditures	720,800	1,370,000	714,600
Excess revenue over (under) expenditures	654,900	(2,700)	562,200
Other financing sources/(uses)			
Transfers in/(out)			
In from General Fund	-	-	-
In from Capital Improvements	1,576,300	-	-
Out to General Fund	(140,000)	(200,000)	(235,000)
Out to Capital Improvements Fund	-	-	-
Out to Employee Benefits Fund	(2,600)	(2,800)	-
Out to Workers Comp Fund	-	(3,000)	-
Total financing sources (uses)	1,433,700	(205,800)	(235,000)
Excess revenue and other sources over (under) expenditures and other uses	2,088,600	(208,500)	327,200
Beginning Fund Balance, July 1	432,166	2,520,628	2,805,428
Ending Fund Balance, June 30	2,520,766	2,312,128	3,132,628

City of Sausalito
Parking Fund (220)
Statement of Revenue, Expenditures and Changes in Fund Balance

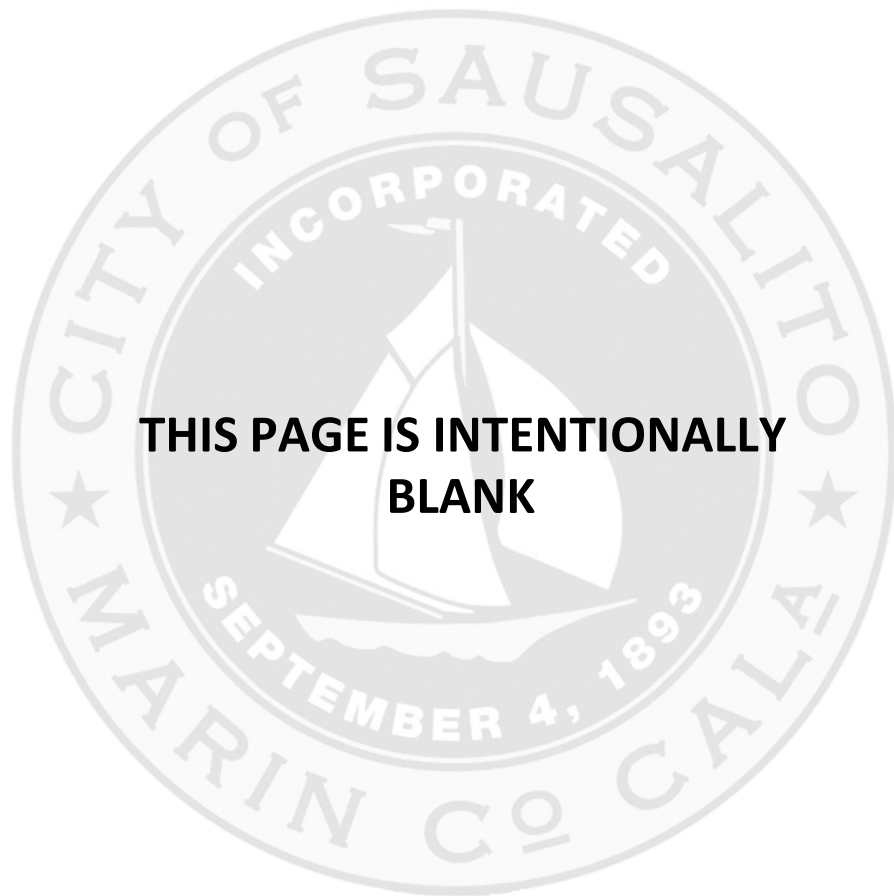
	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue			
Parking Permits/Fees	2,569,500	2,180,800	2,283,200
Other Miscellaneous Revenue	72,900	10,000	7,500
Total Revenue	2,642,400	2,190,800	2,290,700
Expenditures			
Salaries & Benefits	71,100	94,700	112,800
Contract Services	348,400	394,500	402,400
Materials & Supplies	135,800	219,900	223,200
Total Expenditures	555,300	709,100	738,400
Excess revenue over (under) expenditures	2,087,100	1,481,700	1,552,300
Other financing sources/(uses)			
Transfers in/(out)			
In from General Fund	-	-	-
Out to General Fund	(2,029,266)	(2,195,000)	(3,034,000)
Out to Capital Improvements Fund	(450,000)	(135,000)	-
Out to Employee Benefits Fund	-	-	-
Out to Workers Comp Fund	-	(6,800)	(6,800)
Total financing sources (uses)	(2,479,266)	(2,336,800)	(3,040,800)
Excess revenue and other sources over (under) expenditures and other uses	(392,166)	(855,100)	(1,488,500)
Beginning Fund Balance, July 1	3,414,813	3,022,608	2,219,608
Ending Fund Balance, June 30	3,022,647	2,167,508	731,108



CITY OF SAUSALITO

Special Revenue & Capital Funds





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Special Revenue and Capital Project Funds

Special Revenue Funds are established by a government to collect money that must be used for a specific project, either by law or by policy. Special revenue funds provide an extra level of accountability and transparency to taxpayers that their revenue dollars will go towards an intended purpose. For example, Sausalito established a special revenue fund to pay expenses associated with gas taxes because the state requires that the monies can only be used for certain street related expenses.

All Sausalito’s Special Revenue Funds are Restricted, with the exception of the Capital Improvement Fund.

The City has 13 Special Revenue Funds, summarized as follows:

CAPITAL IMPROVEMENTS FUND (FUND 140)

The Capital Improvement Fund accounts for City-side construction and improvements not otherwise paid for through the City’s Enterprise Funds. Infrastructure projects in the Capital Improvement Fund include traffic and transportation projects, storm drains, buildings and waterfront projects, parks and recreation projects, pedestrian and bicycle projects, city-owned rights-of-way, medians land and open space, and Americans with Disabilities Act (ADA) projects and major studies.

TIDELANDS FUND (FUND 114)

The City of Sausalito is the grantee of all tide and submerged land, filled and unfilled, within the City limits which were granted to the City by the State of California pursuant to statutory grant as set forth in statutes in 1953, Chapter 534, on pages 1795 and statutes of 1957, Chapter 791, page 2002. The City holds title to these lands subject to the public trust which limits their use to purposes consistent with commerce, navigation and fisheries (“public trust”). The grants provide that the City may lease the granted lands for limited periods, but in no event exceeding 50 years.

The City leased its properties to the following entities:

Tenant	Lease Expires on
Sausalito Yacht Club	9/30/2027
Galilee Harbor	6/30/2023
Sausalito Cruising Club	Month-to-Month
Trident/Ondine/Horizons	3/2/2038
Scoma's	Month-to-Month
Pelican Harbor	1/31/2040
Sausalito Yacht Harbor	12/31/2029 plus 2 five-year renewal options

Spinnaker	1/26/2032
Inn Above Tides	Month-to-Month
Golden Gate Ferry Landing	11/30/2045

The Tidelands Fund is dedicated to the construction, maintenance and operation of the water front parcels granted to the City of Sausalito by the State of California. The Fund has a negative fund balance due to the remaining unamortized net unearned revenue from Sausalito Yacht Harbor, a Tideland Fund tenant, Bulkhead Replacement Capital Project. Future year's amortization of the unearned revenues will restore the Tideland Fund's fund balance. Unearned revenue proceeds were transferred to the Capital Improvement Fund in order to account for the construction costs.



TRAFFIC SAFETY FUND (FUND 120)

The Traffic Safety Fund accounts for projects related to traffic safety. Financing is provided primarily by vehicle code fines. All fines and forfeitures received as a result of arrests by City Police Officers for vehicle code violations must be deposited in a Traffic Safety Fund to be used for traffic control devices, maintenance of equipment and supplies for traffic law enforcements and traffic accident prevention, or the maintenance improvement or construction of public streets, bridges or culvers. The City typically uses these funds for the maintenance, improvements or construction of public streets.

GAS TAX FUND (FUND 121)

The State of California imposes excise taxes on various transportation fuels. California motor vehicle fuel taxes include the gasoline tax, diesel fuel tax, and the use fuel tax. Gas tax revenue is allocated to cities by the State in accordance with the Streets and Highways Code sections 2105, 2106, and 2107. The use of Motor Vehicle Fuel Tax is restricted by Article XIX of the California State Constitution and by Streets and Highways Code Section 2101. All Motor Vehicle Fuel Tax funds allocated from the Highway Users Tax Account must be expended for the following:

- The research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for non-motorized traffic), including the

mitigation of their environmental effects, the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes

- The research and planning for exclusive public mass transit guide-ways (and their related fixed facilities), the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes
- The construction and improvement of exclusive public mass transit guide-ways (and their related fixed facilities), including the mitigation of their environmental effects, the payment for property taken or damaged for such purposes, the administrative costs necessarily incurred in the foregoing purposes, and the maintenance of the structures and the immediate right-of-way for the public mass transit guide-ways
- The payment of principal and interest on voter-approved bonds issued for the purposes specified above

The City typically uses these funds for the maintenance, improvement or construction of public streets.



CONSTRUCTION TRAFFIC IMPACT FEE FUND (FUND 122)

The Construction Traffic Impact Fee Fund accounts for costs recovered from fees applied to applicants on new developments to mitigate the impacts of accelerated wear and tear to the City's roads as a result of construction projects. The fee is listed in Sausalito's Municipal Code Chapter 3.36, and is paid immediately prior to the issuance of a building permit. The City uses this money for the sole purpose of repairing City streets (including striping and signage).

COUNTY MEASURE A FUND (FUND 124)

The County Measure A Fund accounts for the half-cent County sales tax revenue restricted for local transportation improvement projects.

Voters in Marin approved Measure A in November 2004. It is a ½ percent Sales Tax for Marin County Transportation purposes. Measure A authorized the formation of the Transportation Authority of Marin (TAM) to administer Measure A revenues. The funds must be used for transportation purposes. This can include street and roads projects, local transit projects,

bicycle projects, and pedestrian projects. The Sausalito Budget programmed TAM funds for the Street Repair Program.

On November 2, 2010, Marin residents voted to pass Measure B which increased the annual vehicle registration fee by \$10 to help fund transportation improvements, also administered by the Transportation Authority of Marin. The fee funds programs that:

- Repair and maintain local streets, roads and multi-use pathways in the County, including neighborhood and residential priority locations
- Make public transportation easier to use and more efficient, particularly for the senior and disabled population in Marin County
- Make it easier to get to work or school, whether by driving, using public transportation, bicycling, or walking
- Result in the reduction of pollution from cars and trucks by reducing the need to drive and encouraging the use of alternative fuel vehicles

STORM DRAIN FUND (FUND 125)

The purpose of the Storm Drain Fund is to account for the use of monies generated by the fee imposed on property owners by the City's Urban Runoff Pollution Prevention Ordinance. This Ordinance, in order to ensure the future health, safety, and general welfare of the residents of the City of Sausalito, established a funding source to provide for the maintenance and repair of the City's storm water drainage facilities to provide capital improvements to the City's storm drainage system, and to provide other clean storm water activities. The Fund accounts for the maintenance of the City's storm drain system, including collectors, culverts, ditches and streams and financing is provided primarily by property drainage tax and subsidies from the general fund.



STAIRS FUND (FUND 126)

The Stairs Fund accounts for the use of monies from the 167 Cazneau legal settlement that designated the monies can only be used for improvements to stairs.

DISASTER ASSISTANCE FUND (FUND 130)

The Disaster Assistance Fund accounts for the costs related to disasters. Financing is provided by the General Fund and replenished by reimbursements from federal and state grants, e.g. FEMA.



POLICE SEIZED ASSETS FUND (FUND 133)

The Police Seized Assets Fund accounts for properties seized by the Police Department during the normal course of police operation.

POLICE GRANTS FUND (FUND 134)

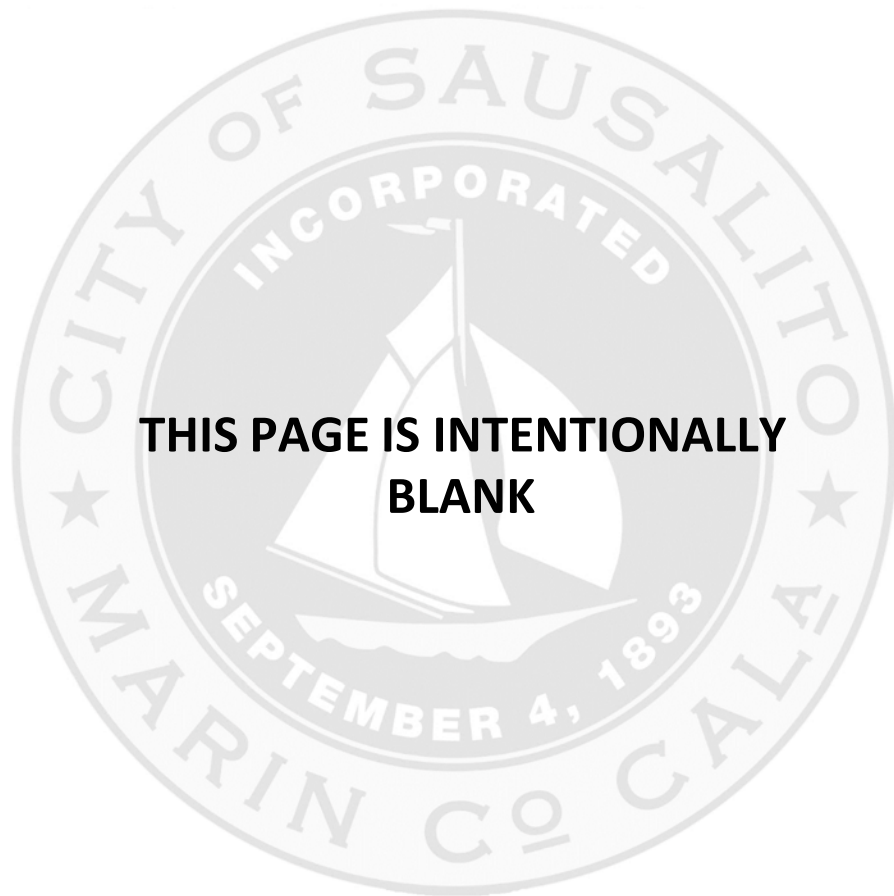
The Police Grants Fund accounts for grant activities and services paid and reimbursed by grant funding from Federal, State, County and local government agencies. These funds are designated for specific police services, activities and capital equipment. The current source of revenues is the Citizens Option for Public Safety or COPS grant used to augment public safety expenditures.

RECREATION GRANT FUND (FUND 136)

The Recreation Grant Fund accounts for Federal, State, and County per capita park grant funds for development and improvements to City Public Park, trail and land

LIBRARY CAPITAL IMPROVEMENT FUND (FUND 115)

The Library Capital Improvement Fund accounts for capital projects related to the library. Financing is provided primarily by the General Fund and state grants.



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City of Sausalito
Capital Improvements Fund (140)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Intergovernmental	67,900	-	255,000	-
Grants & Contributions	33,800	122,900	985,000	427,100
Miscellaneous Revenue	108,800	197,500	-	75,000
Total Revenue	210,500	320,400	1,240,000	502,100
Expenditures				
Salaries & Benefits	176,000	600	-	-
Contract Services	160,700	100	-	-
Materials & Supplies	2,299,500	3,335,500	5,796,500	1,208,400
Total Expenditures	2,636,200	3,336,200	5,796,500	1,208,400
Excess revenue over (under) expenditures	(2,425,700)	(3,015,800)	(4,556,500)	(706,300)
Other financing sources/(uses)				
Transfers in/(out)				
In from Measure O, General Fund	150,500	1,247,400	889,455	496,340
In from General Fund	1,191,000	675,000	348,000	-
In from Sewer Fund	125,000	75,000	-	-
In from Tideland Fund	25,000	185,000	50,000	-
In from Gas Tax Fund	65,000	50,000	435,000	-
In from Construction Impact Fund	165,000	185,000	180,000	125,000
In from County Measure A Fund	50,000	205,000	-	125,000
In from Storm Drain Fund	46,000	46,000	40,000	35,000
In from Disaster Recovery Fund	-	-	575,000	-
In from Recreation Grant Fund	-	318,178	-	-
In from Parking Fund	-	450,000	135,000	-
Out to MLK	-	(1,576,276)	-	-
Out to Employee Benefit Fund	(3,500)	-	-	-
Total financing sources (uses)	1,814,000	1,860,302	2,652,455	781,340
Excess revenue and other sources over (under) expenditures and other uses	(611,700)	(1,155,498)	(1,904,045)	75,040
Beginning Fund Balance, July 1	6,237,053	4,445,556	3,290,037	1,245,837
Ending Fund Balance, June 30	5,625,353	3,290,058	1,385,992	1,320,877

**City of Sausalito
Tidelands Fund (114)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Other Rentals	811,700	790,400	757,800	757,800
Grants & Contributions	56,500	49,100	177,000	-
Miscellaneous Revenue	10,800	15,600	500	300
Total Revenue	879,000	855,100	935,300	758,100
Expenditures				
Salaries & Benefits	22,800	10,400	50,200	-
Contract Services	237,600	169,000	190,000	193,800
Materials & Supplies	57,900	90,400	327,900	162,900
Total Expenditures	318,300	269,800	568,100	356,700
Excess revenue over (under) expenditures	560,700	585,300	367,200	401,400
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	(200,000)	(200,000)	(200,000)	(200,000)
Out to Capital Improvements Fund	(25,000)	(185,000)	(50,000)	-
Out to Tidelands Loan Debt Service Fund	(72,200)	(72,200)	(72,200)	(72,200)
Total financing sources (uses)	(297,200)	(457,200)	(322,200)	(272,200)
Excess revenue and other sources over (under) expenditures and other uses	263,500	128,100	45,000	129,200
Beginning Fund Balance, July 1	(3,196,805)	(2,769,559)	(2,641,513)	(2,631,213)
Ending Fund Balance, June 30	(2,933,305)	(2,641,459)	(2,596,513)	(2,502,013)

City of Sausalito
Traffic Safety Fund (120)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Fines	-	-	30,000	30,000
Intergovernmental	8,300	8,100	-	-
Miscellaneous Revenue	200	(400)	-	-
Total Revenue	8,500	7,700	30,000	30,000
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	43,100	50,100	25,000	-
Total Expenditures	43,100	50,100	25,000	-
Excess revenue over (under) expenditures	(34,600)	(42,400)	5,000	30,000
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	(2,000)	(2,000)	(2,000)	-
Out to Capital Improvements Fund	-	-	-	-
Out to Tideland Loan Debt Service Fund	-	-	-	-
Total financing sources (uses)	(2,000)	(2,000)	(2,000)	-
Excess revenue and other sources over (under) expenditures and other uses	(36,600)	(44,400)	3,000	30,000
Beginning Fund Balance, July 1	(25,721)	(62,703)	(107,125)	(168,125)
Ending Fund Balance, June 30	(62,321)	(107,103)	(104,125)	(138,125)

**City of Sausalito
Gas Tax Fund (121)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Intergovernmental	153,900	147,400	188,100	202,600
Miscellaneous Revenue	1,600	3,700	-	4,000
Total Revenue	155,500	151,100	188,100	206,600
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	37,400	75,800	90,000	86,000
Total Expenditures	37,400	75,800	90,000	86,000
Excess revenue over (under) expenditures	118,100	75,300	98,100	120,600
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	(65,000)	(50,000)	(435,000)	-
Total financing sources (uses)	(65,000)	(50,000)	(435,000)	-
Excess revenue and other sources over (under) expenditures and other uses	53,100	25,300	(336,900)	120,600
Beginning Fund Balance, July 1	139,994	193,197	218,487	(139,613)
Ending Fund Balance, June 30	193,094	218,497	(118,413)	(19,013)

City of Sausalito
Construction Traffic Impact Fee Fund (122)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Permits	244,200	265,000	180,000	120,000
Miscellaneous Revenue	2,500	6,600	-	-
Total Revenue	246,700	271,600	180,000	120,000
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	-	-	-	-
Total Expenditures	-	-	-	-
Excess revenue over (under) expenditures	246,700	271,600	180,000	120,000
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	(165,000)	(185,000)	(180,000)	(125,000)
Total financing sources (uses)	(165,000)	(185,000)	(180,000)	(125,000)
Excess revenue and other sources over (under) expenditures and other uses	81,700	86,600	-	(5,000)
Beginning Fund Balance, July 1	174,627	256,331	342,870	286,070
Ending Fund Balance, June 30	256,327	342,931	342,870	281,070

City of Sausalito
County Measure A Fund (124)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Intergovernmental	170,600	428,700	80,000	40,000
Miscellaneous Revenue	1,000	7,800	-	5,800
Total Revenue	171,600	436,500	80,000	45,800
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	-	-	-	-
Total Expenditures	-	-	-	-
Excess revenue over (under) expenditures	171,600	436,500	80,000	45,800
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	(50,000)	(205,000)	-	(125,000)
Total financing sources (uses)	(50,000)	(205,000)	-	(125,000)
Excess revenue and other sources over (under) expenditures and other uses	121,600	231,500	80,000	(79,200)
Beginning Fund Balance, July 1	102,398	224,004	455,589	642,889
Ending Fund Balance, June 30	223,998	455,504	535,589	563,689

**City of Sausalito
Storm Drain Fund (125)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Property Tax	71,600	71,600	74,500	76,700
Miscellaneous Revenue	100	500	-	-
Total Revenue	71,700	72,100	74,500	76,700
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	26,800	25,000	28,500	28,900
Total Expenditures	26,800	25,000	28,500	28,900
Excess revenue over (under) expenditures	44,900	47,100	46,000	47,800
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	(46,000)	(46,000)	(40,000)	(35,000)
Total financing sources (uses)	(46,000)	(46,000)	(40,000)	(35,000)
Excess revenue and other sources over (under) expenditures and other uses	(1,100)	1,100	6,000	12,800
Beginning Fund Balance, July 1	13,561	12,512	13,596	(17,904)
Ending Fund Balance, June 30	12,461	13,612	19,596	(5,104)

**City of Sausalito
Stair Fund (126)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Property Tax	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Total Revenue	-	-	-	-
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	-	-	-	-
Total Expenditures	-	-	-	-
Excess revenue over (under) expenditures	-	-	-	-
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	-	-	-	-
Total financing sources (uses)	-	-	-	-
Excess revenue and other sources over (under) expenditures and other uses	-	-	-	-
Beginning Fund Balance, July 1	155,887	157,402	159,877	159,877
Ending Fund Balance, June 30	155,887	157,402	159,877	159,877

City of Sausalito
Disaster Assistance Fund (130)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Property Tax	-	-	-	-
Miscellaneous Revenue	9,500	15,500	-	11,600
Total Revenue	9,500	15,500	-	11,600
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	-	-	-	-
Total Expenditures	-	-	-	-
Excess revenue over (under) expenditures	9,500	15,500	-	11,600
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	-	-	(575,000)	-
Total financing sources (uses)	-	-	(575,000)	-
Excess revenue and other sources over (under) expenditures and other uses	9,500	15,500	(575,000)	11,600
Beginning Fund Balance, July 1	977,708	987,208	1,002,730	(261,670)
Ending Fund Balance, June 30	987,208	1,002,708	427,730	(250,070)

City of Sausalito
Police Seized Assets Fund (133)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Property Tax	-	-	-	-
Miscellaneous Revenue	300	500	-	300
Total Revenue	300	500	-	300
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	-	-	-	-
Total Expenditures	-	-	-	-
Excess revenue over (under) expenditures	300	500	-	300
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	-	-	-	-
Total financing sources (uses)	-	-	-	-
Excess revenue and other sources over (under) expenditures and other uses	300	500	-	300
Beginning Fund Balance, July 1	34,631	34,967	35,517	35,617
Ending Fund Balance, June 30	34,931	35,467	35,517	35,917

City of Sausalito
Police Grants Fund (134)
Statement of Revenue, Expenditures and Changes in Fund Balance

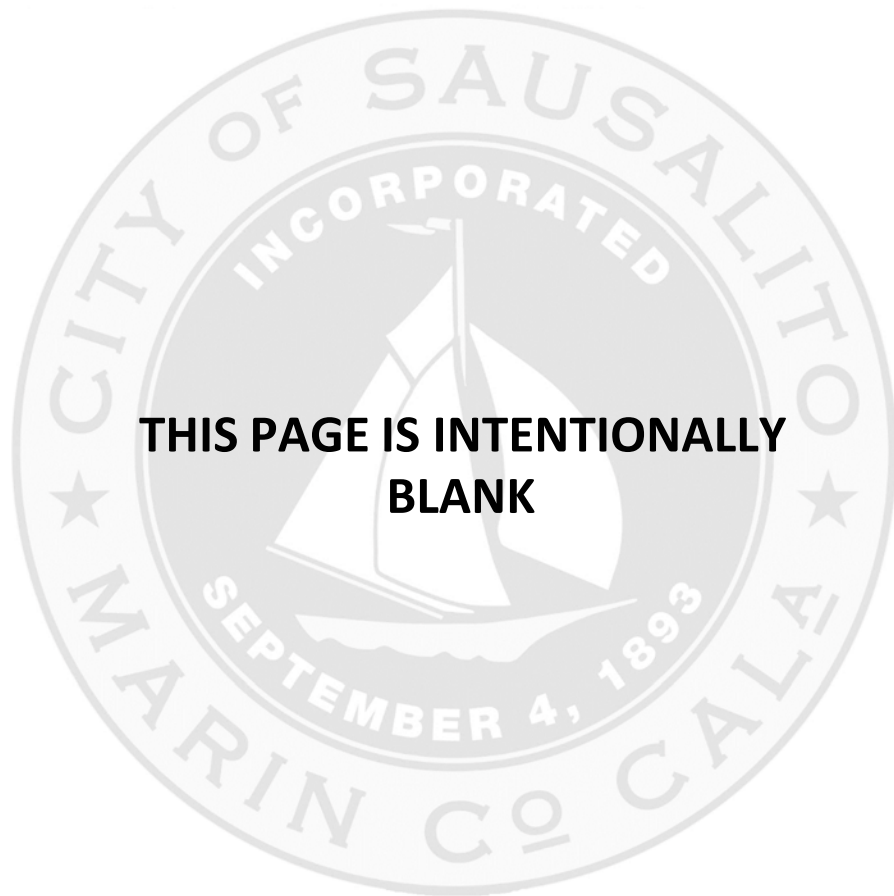
	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Intergovernmental	-	-	-	-
Grants & Contributions	144,900	280,400	195,000	100,000
Miscellaneous Revenue	300	1,400	-	1,000
Total Revenue	145,200	281,800	195,000	101,000
Expenditures				
Salaries & Benefits	154,700	162,300	149,500	-
Contract Services	-	-	-	-
Materials & Supplies	-	200	-	-
Total Expenditures	154,700	162,500	149,500	-
Excess revenue over (under) expenditures	(9,500)	119,300	45,500	101,000
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	-	-	-	-
Total financing sources (uses)	-	-	-	-
Excess revenue and other sources over (under) expenditures and other uses	(9,500)	119,300	45,500	101,000
Beginning Fund Balance, July 1	(26,518)	(9,260)	110,061	151,061
Ending Fund Balance, June 30	(36,018)	110,040	155,561	252,061

City of Sausalito
Recreation Grant Fund (136)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Intergovernmental	-	-	-	-
Grants & Contributions	59,900	86,900	65,000	65,000
Miscellaneous Revenue	-	-	-	-
Total Revenue	59,900	86,900	65,000	65,000
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	38,900	-	55,000	-
Total Expenditures	38,900	-	55,000	-
Excess revenue over (under) expenditures	21,000	86,900	10,000	65,000
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	-	(318,178)	-	-
Total financing sources (uses)	-	(318,178)	-	-
Excess revenue and other sources over (under) expenditures and other uses	21,000	(231,278)	10,000	65,000
Beginning Fund Balance, July 1	165,994	187,075	(44,212)	(44,212)
Ending Fund Balance, June 30	186,994	(44,203)	(34,212)	20,788

City of Sausalito
Library Capital Improvement Fund (115)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Grants & Contributions	-	-	-	-
Miscellaneous Revenue	1,000	1,600	-	1,200
Total Revenue	1,000	1,600	-	1,200
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	-	-	-	-
Total Expenditures	-	-	-	-
Excess revenue over (under) expenditures	1,000	1,600	-	1,200
Other financing sources/(uses)				
Transfers in/(out)				
Out to General Fund	-	-	-	-
Out to Capital Improvements Fund	-	-	-	-
Total financing sources (uses)	-	-	-	-
Excess revenue and other sources over (under) expenditures and other uses	1,000	1,600	-	1,200
Beginning Fund Balance, July 1	103,282	104,286	105,924	108,424
Ending Fund Balance, June 30	104,282	105,886	105,924	109,624



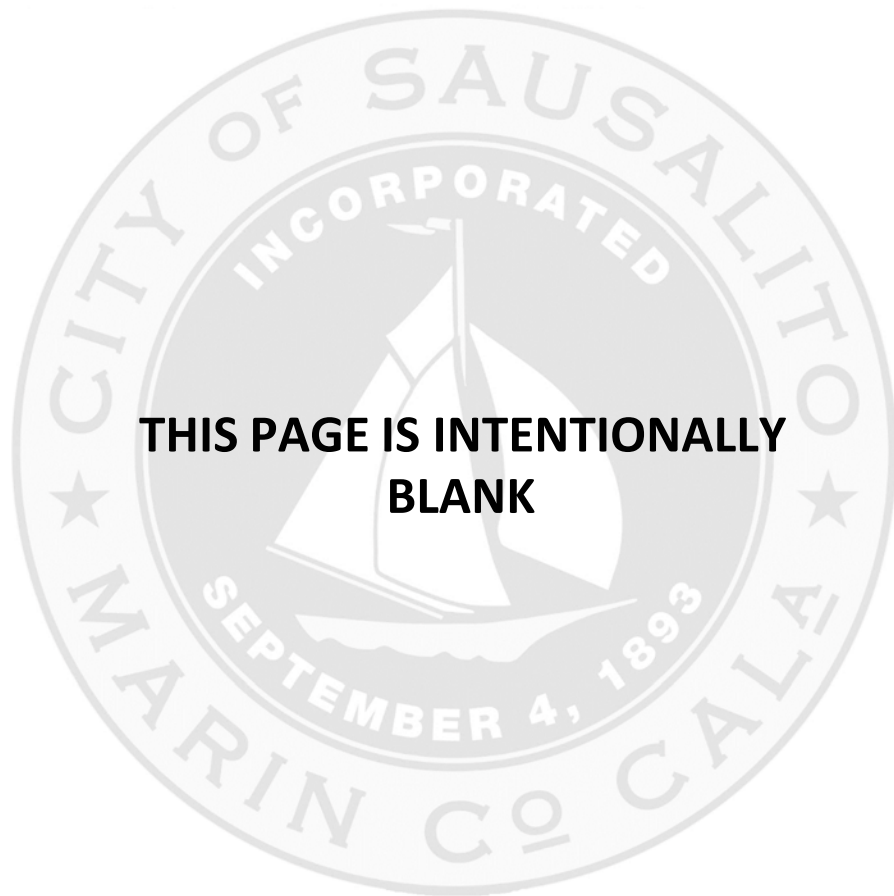
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CITY OF SAUSALITO

Internal Service Funds





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Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis. Sausalito has four Internal Service Funds: Vehicle and Equipment Replacement Fund, Workers' Compensation Fund, Employee Benefits Fund, and General Liability Fund.

VEHICLE AND EQUIPMENT REPLACEMENT FUND (Fund 240)

The Vehicle and Equipment Replacement Fund is an unrestricted fund. It covers the cost of repair, maintenance, and replacement of City vehicles and equipment. Replacements are determined based on the useful lives of classes of vehicle or equipment, so budget fluctuations can occur depending on number and value of vehicles/equipment being replaced. Revenue for this fund is derived from internal service charges to City departments. This Fund acts as a pass-through entity.



BAY CITIES JOINT POWERS INSURANCE AUTHORITY

The City is exposed to various risks of loss related to workers' compensation and general liability. The City participates in joint powers agreements to manage its exposure and costs. On July 1, 1977, a Joint Powers Agreement was entered into between member cities and the Marin County Risk Management Authority for workers' compensation coverage (The City of Sausalito joined on October 1, 1982). In July 1978, the Agreement was extended to include coverage for both auto and general liability exposures. On July 1, 1978, a new Joint Powers Agreement was established for the liability coverage, known as the Marin Cities Liability Management Authority (Sausalito joined on October 1, 1986). Effective July 1, 1996, the City transferred its excess liability coverage to Bay Cities Joint Powers Insurance Authority. Effective July 1, 2003, the Marin County Risk Management Authority was dissolved and the City transferred its workers compensation coverage to the Bay Cities Joint Powers Insurance Authority.

WORKERS' COMPENSATION FUND (Fund 250)

The Workers' Compensation Fund is an unrestricted fund, used to account for outstanding claim liabilities.

As defined by Government Accounting Standards Board Statement No. 10 (GASB-10), the Bay Cities Joint Powers Insurance Authority is "a claims servicing or account pool". The Authority manages separate accounts for each pool member from which losses and expenses of that member are paid, up to the self-insured retention limit. The Authority purchases commercial excess insurance. The annual assessment of each member includes allocations for loss payments, expenses, and excess insurance premiums. The Authority has a policy under which there is an annual evaluation of the assets of each pool member in comparison to future liabilities. The "financial risk position" of each member is determined by subtracting case reserves, incurred but not reported amounts and claim development from the members' cash balances. If a negative risk position is found, a supplemental element is added to its annual assessment.

- The City Manager is the designated board member to the BCJPIA and the Administrative Services Director is the designated alternate board member
- Either the designated or alternate Board Member attends the semi-annual BCJPIA Board meetings
- The Administrative Services Director is also the BCJPIA's Board designated Board Member to the Los Angeles Workers Compensation Exchange and attends semi-annual board meetings
- The BCJPIA conducts annual actuarial valuations. The valuations are used to record General Ledger claims paid, current and long-term claims payable
- The City allocates the annual premium to all departments based on number of personnel and the experience rating of likelihood of claims among job classes by department

EMPLOYEE BENEFITS FUND (Fund 260)

The Employee Benefits Fund is an unrestricted fund.

The Employee Benefits Fund was established to set aside funds for offsetting liabilities for:

- Compensated absence (earned vacation, sick, and compensatory time) balances
- Post-Employment Benefits other than pension (OPEB) liabilities to pay for future retiree health care benefits
- CalPERS side funds established when the City entered CalPERS funding pools
- As part of the 2012 Labor Cost reform strategy, the City converted employees with less than three years of service, and other employees who opted out of the defined benefit OPEB plan, to a defined contribution OPEB plan. The defined contributions are disbursed from this fund
- The City's annexation agreement with the Southern Marin Fire Protection District was completed effective as of June 30, 2012. The City agreed to pay Southern Marin Fire Protection District \$58,000 annually for 30 years, a total of \$1,740,000, representing the

retiree medical costs of nine firefighters who worked for the City. These payments are disbursed from the Employee Benefit Fund

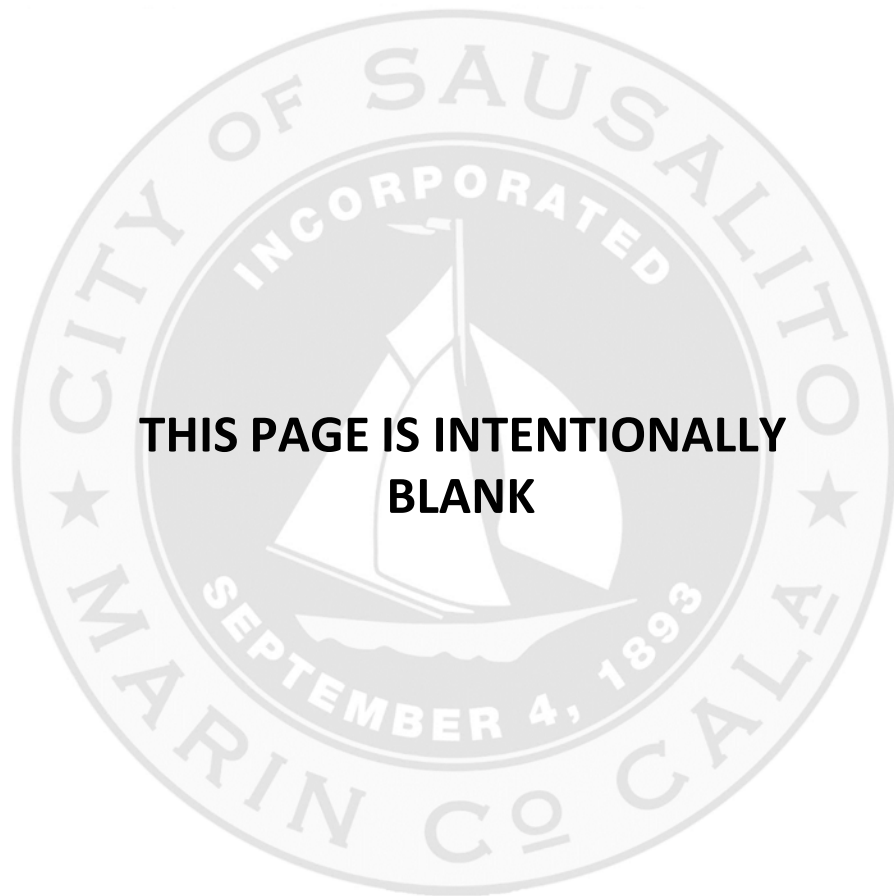
- In 2012, the City paid off the Miscellaneous and Fire Safety employees Side Funds with CalPERS from monies accumulated, and transferred into this fund

GENERAL LIABILITY FUND (Fund 270)

The General Liability Fund is an unrestricted fund. It was created to help finance other liabilities, including employment liabilities.

The City participates with other public entities for the purpose of obtaining general liability coverage in the Bay Cities Joint Powers Insurance Authority (BCJPIA) for claims incurred on or after July 1, 1996. The BCJPIA provides liability and errors and omissions coverage in excess of the City's self-insured retention through a risk shared self-insurance pool. BCJPIA obtains excess coverage through California Affiliated Risk Management Authorities (CARMA), a risk sharing joint powers authority. CARMA provides excess insurance coverage. Employment Risk Management Authority, a risk sharing joint powers authority, arranges for pooled risk sharing related to employment practices liability. The BCJPIA conducts annual actuarial valuations. The valuations are used to record general ledger claims paid and current and long-term claims payable.





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City of Sausalito
Vehicle & Equipment Replacement (240)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Property Tax	-	-	-	-
Intergovernmental	-	-	-	-
Miscellaneous Revenue	8,500	16,500	-	-
Total Revenue	8,500	16,500	-	-
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	169,600	109,500	125,000	115,200
Total Expenditures	169,600	109,500	125,000	115,200
Excess revenue over (under) expenditures	(161,100)	(93,000)	(125,000)	(115,200)
Other financing sources/(uses)				
Transfers in/(out)				
In from Police, General Fund	73,400	-	-	-
In from Building Department, General Fund	800	-	-	-
In from Public Works, General Fund	25,600	-	-	-
In from Recreation, General Fund	400	-	-	-
Out to General Fund	-	-	-	(500,000)
Total financing sources (uses)	100,200	-	-	(500,000)
Excess revenue and other sources over (under) expenditures and other uses	(60,900)	(93,000)	(125,000)	(615,200)
Beginning Fund Balance, July 1	1,221,681	1,160,807	1,067,853	957,253
Ending Fund Balance, June 30	1,160,781	1,067,807	942,853	342,053

City of Sausalito
Workers' Compensation Fund (250)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Intergovernmental	-	-	-	-
Miscellaneous Revenue	3,700	1,400	2,000	-
Total Revenue	3,700	1,400	2,000	-
Expenditures				
Salaries & Benefits	717,900	(85,300)	409,800	450,000
Contract Services	-	-	-	-
Materials & Supplies	-	-	-	-
Total Expenditures	717,900	(85,300)	409,800	450,000
Excess revenue over (under) expenditures	(714,200)	86,700	(407,800)	(450,000)
Other financing sources/(uses)				
Transfers in/(out)				
In from Admin, General Fund	500	-	951,200	353,200
In from IT, General Fund	900	-	800	-
In from Planning, General Fund	900	-	100	-
In from Police, General Fund	230,000	-	162,100	-
In from Building, General Fund	3,500	-	3,300	-
In from Engineering, General Fund	900	-	6,800	-
In from DPW Maintenance, General Fund	50,900	-	19,200	-
In from Parks & Rec, General Fund	3,000	-	115,400	-
In from Library, General Fund	900	-	500	-
In from Sewer	67,100	-	88,600	90,000
In from MLK	1,300	-	3,000	-
In from Parking	-	-	6,800	6,800
Total financing sources (uses)	359,900	-	1,357,800	450,000
Excess revenue and other sources over (under) expenditures and other uses	(354,300)	86,700	950,000	-
Beginning Fund Balance, July 1	(752,854)	(949,921)	(863,219)	239,281
Ending Fund Balance, June 30	(1,107,154)	(863,221)	86,781	239,281

City of Sausalito
Employee Benefits Fund (260)
Statement of Revenue, Expenditures and Changes in Fund Balance

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Grants & Contributions	-	156,000	-	-
Miscellaneous Revenue	26,200	65,700	44,600	-
Total Revenue	26,200	221,700	44,600	-
Expenditures				
Salaries & Benefits	10,200	1,147,400	461,100	471,000
Contract Services	2,100	2,200	-	-
Materials & Supplies	-	-	-	-
Total Expenditures	12,300	1,149,600	461,100	471,000
Excess revenue over (under) expenditures	13,900	(927,900)	(416,500)	(471,000)
Other financing sources/(uses)				
Transfers in/(out)				
In from General Fund	-	2,100	-	-
In from General Fund (Admin)	27,400	33,500	22,900	-
In from General Fund (IT)	4,900	5,900	5,900	-
In from Capital Improvement Fund	3,500	-	-	-
In from General Fund (Planning)	10,000	13,800	14,100	-
In from General Fund (GASB45)	58,000	58,000	58,000	58,000
In from General Fund (for Pension Trust)	-	775,000	209,500	401,500
In from General Fund (Police)	59,000	77,300	79,200	-
In from MLK	1,800	2,600	2,800	-
In from General Fund (Building)	6,200	5,400	5,500	-
In from General Fund (Engineering)	6,400	10,200	10,000	-
In from General Fund (DPW Maintenance)	16,300	9,000	9,200	-
In from General Fund (Recreation)	8,100	20,800	19,500	-
In from General Fund (Library)	10,600	12,900	13,200	-
In from Sewer	2,000	11,100	11,400	11,500
Out to General Fund	-	-	-	(300,000)
Total financing sources (uses)	214,200	1,037,600	461,200	171,000
Excess revenue and other sources over (under) expenditures and other uses	228,100	109,700	44,700	(300,000)
Beginning Fund Balance, July 1	248,922	456,528	353,703	702,403
Ending Fund Balance, June 30	477,022	566,228	398,403	402,403

**City of Sausalito
General Liability Fund (270)
Statement of Revenue, Expenditures and Changes in Fund Balance**

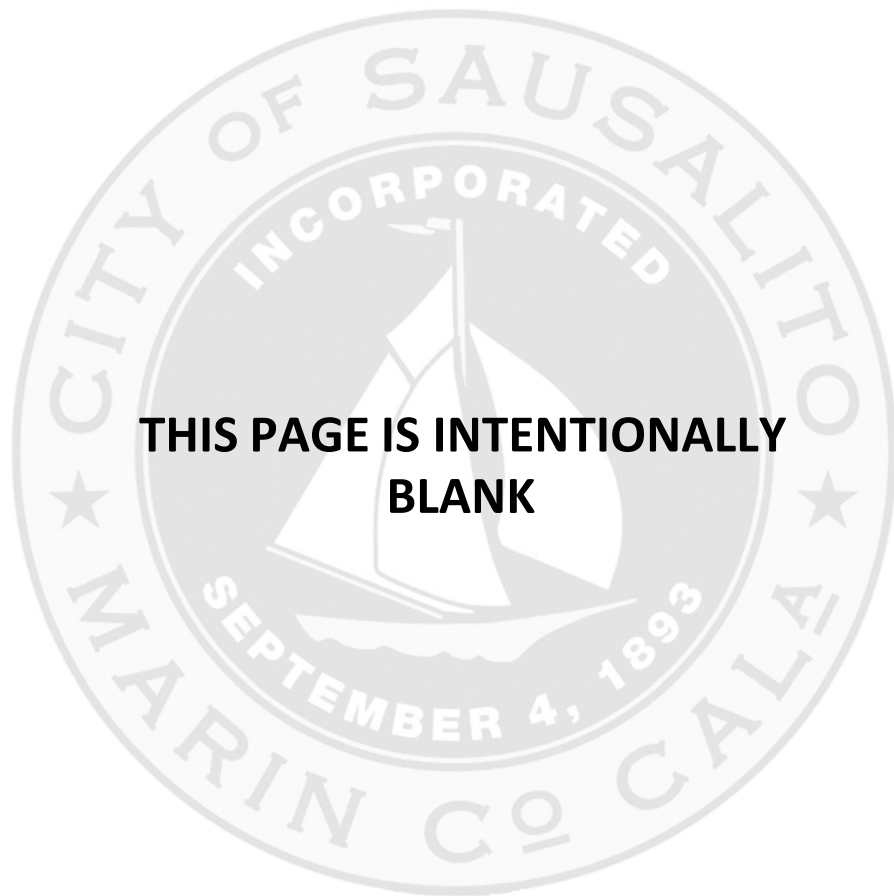
	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Miscellaneous Revenue	100	(600)	-	-
Total Revenue	100	(600)	-	-
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	100	274,500	(328,400)	300,000
Total Expenditures	100	274,500	(328,400)	300,000
Excess revenue over (under) expenditures	-	(275,100)	328,400	(300,000)
Other financing sources/(uses)				
Transfers in/(out)				
In from General Fund	-	-	328,400	300,000
Out to General Fund	-	-	-	-
Total financing sources (uses)	-	-	328,400	300,000
Excess revenue and other sources over (under) expenditures and other uses	-	(275,100)	656,800	-
Beginning Fund Balance, July 1	(328,420)	(328,417)	(603,560)	(421,360)
Ending Fund Balance, June 30	(328,420)	(603,517)	53,240	(421,360)



CITY OF SAUSALITO

Debt Service Funds





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Debt Service Funds

Debt Service Funds are restricted funds. They are used to account for the payment of principal and interest on the City’s long-term debt.

TIDELAND LOAN (FUND 302)

The Tideland Loan Fund was set up to account for transfers of funds from the Tidelands Fund to pay the California Department of Boating and Waterways loan principal and interest.

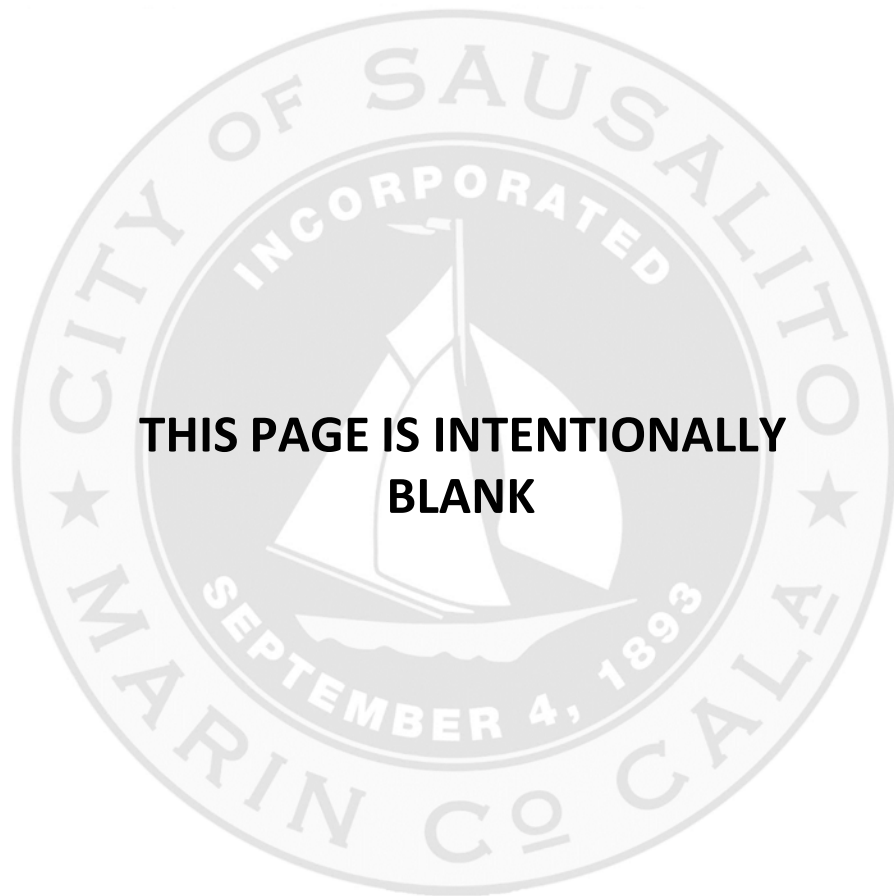
Between April 1995 and March 1996, the City borrowed \$1.2 million from the California Department of Boating and Waterways to finance certain improvements. The loan bears interest at 4.5% per annum on the unpaid balance, commencing with the date of each transfer of loan funds to the City. Repayment of the loan commenced August 1995, and is payable in annual installments of \$72,155, including interest, until maturity, on August 1, 2025.

GENERAL OBLIGATION BONDS (FUND 303)

The 2006 General Obligation Bonds Fund accounts for the accumulation of resources to pay general obligation bonds principal and interest.

- **General Obligation Bond 2006 Series A**
On November 16, 2006, the City issued General Obligation Bonds Series A in the amount of \$8,205,000. The bond proceeds from this series and the bond proceeds from Series B were used to finance the demolition and replacement of a police building and fire station. Interest payments are due each February 1 and August 1, and principal is due each August 1, repayable from General Fund revenues, until August 1, 2026. The bonds bear interest at rates from 4.1% to 5.0% per annum. These bonds are repayable from the proceeds of ad valorem property taxes.
- **General Obligation Bond 2006 Series B (Capital Appreciation Bonds)**
On November 16, 2006, the City issued General Obligation Bonds Series B in the amount of \$7,293,894. The bond proceeds from this series and the bond proceeds from Series A were used to finance the demolition and replacement of a police building and fire station. These bonds are repayable from the proceeds of ad valorem property taxes. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at rates between 4.55% and 4.65%. Repayments of the accreted principal will commence on August 1, 2026. Final repayment will be August 1, 2041.





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**City of Sausalito
Tideland Loan (302)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Intergovernmental	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Total Revenue	-	-	-	-
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	72,200	72,200	72,200	72,200
Total Expenditures	72,200	72,200	72,200	72,200
Excess revenue over (under) expenditures	(72,200)	(72,200)	(72,200)	(72,200)
Other financing sources/(uses)				
Transfers in/(out)				
In from Tideland Fund	72,200	72,200	72,155	72,155
Out to Capital Improvements Fund	-	-	-	-
Total financing sources (uses)	72,200	72,200	72,155	72,155
Excess revenue and other sources over (under) expenditures and other uses	-	-	(45)	(45)
Beginning Fund Balance, July 1	-	-	-	(45)
Ending Fund Balance, June 30	-	-	(45)	(89)

**City of Sausalito
GO Bonds (303)
Statement of Revenue, Expenditures and Changes in Fund Balance**

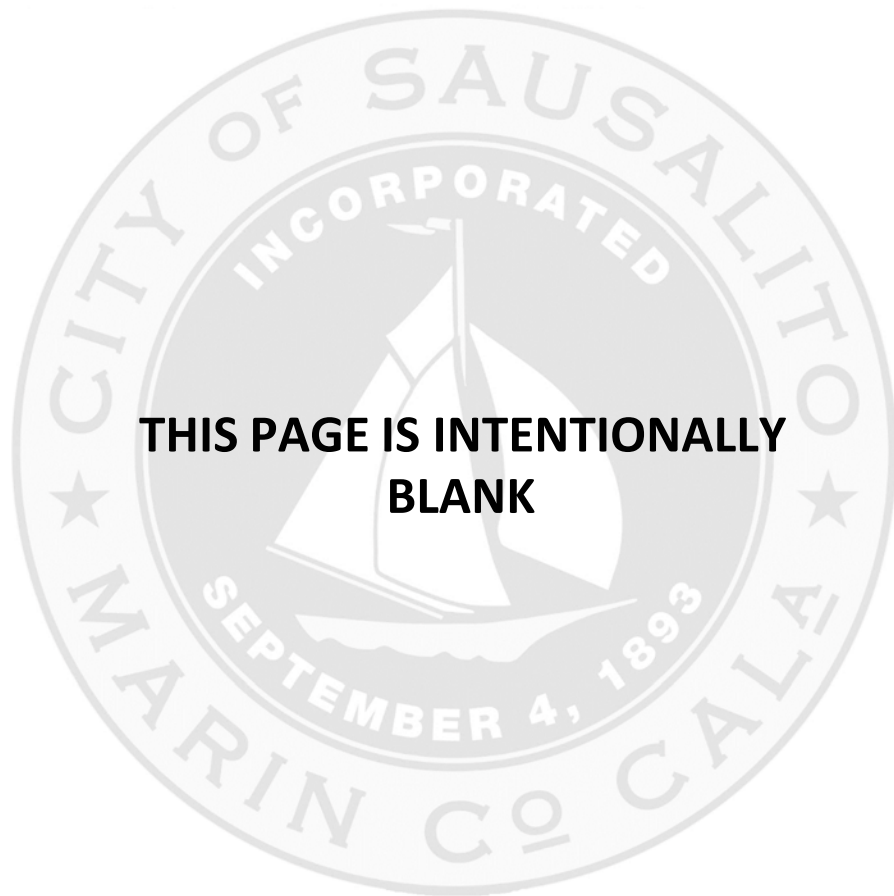
	FY 2017-18 Actual	FY2018-19 Actual	FY2019-20 Revised	FY2020-21 Adopted Budget
Revenue				
Property Tax	565,000	772,300	734,000	745,000
Intergovernmental	25,900	1,400	-	-
Miscellaneous Revenue	7,700	18,200	-	-
Total Revenue	598,600	791,900	734,000	745,000
Expenditures				
Salaries & Benefits	-	-	-	-
Contract Services	-	-	-	-
Materials & Supplies	536,700	567,300	734,000	745,000
Total Expenditures	536,700	567,300	734,000	745,000
Excess revenue over (under) expenditures	61,900	224,600	-	-
Other financing sources/(uses)				
Transfers in/(out)				
In from Tideland Fund	-	-	-	-
Out to Capital Improvements Fund	-	-	-	-
Total financing sources (uses)	-	-	-	-
Excess revenue and other sources over (under) expenditures and other uses	61,900	224,600	-	-
Beginning Fund Balance, July 1	731,415	793,394	1,017,894	1,030,094
Ending Fund Balance, June 30	793,315	1,017,994	1,017,894	1,030,094



CITY OF SAUSALITO

Investment Policy





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CITY OF SAUSALITO INVESTMENT POLICY

I. PURPOSE

This statement of investment policy is intended to provide guidelines for the prudent investment of the City of Sausalito's temporary idle cash and to outline the policies for maximizing the efficiency of the City's cash management system. The ultimate goal is to enhance the economic status of the City while protecting its pooled cash. The management and oversight responsibility for administering the City's investments is delegated to the Director of Administrative Services/Treasurer, who shall monitor and review all investments for consistency with this investment policy.

The investment policies and practices of the City of Sausalito are based on state law and prudent money management. All funds will be invested in accordance with the City's Investment Policy and the authority governing investments set forth in the California Government Code, Sections 53601 through 53659. The investment policy for bond proceeds is contained in the relevant bond documents approved by the City Council at the time of the issuance of the debt.

II. OBJECTIVE

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to obtain the highest yield obtainable as long as investments meet the criteria established for safety and liquidity.

III. POLICY

City funds not required for immediate expenditure will be invested in compliance with State law (Government Code Section 53600 et. Seq.) and this policy. The City will maintain adequate cash availability and maximum yield on invested idle funds while insuring that principal invested is protected.

This investment policy applies to all transactions of the financial assets of all funds of the City of Sausalito.

IV. REPORTING REQUIREMENTS

Consistent with Sections 16481.2 and 53646 of the Government Code, the Director of Administrative Services/Treasurer shall submit an annual Statement of Policies to the City Council for consideration at a public meeting.

In addition to the submittal of an annual Statement of Investment Policies, the Director of Administrative Services/Treasurer shall render to the City Council a quarterly and annual Treasurer's Report, which shall include at a minimum the following information:

- a. Type of investment instruments
- b. Issuer name
- c. Purchase date
- d. Par value
- e. Market value
- f. Book value
- g. Interest rate
- h. Portfolio yield
- i. Weighted average days to maturity
- j. Maturity date
- k. Statement of compliance with the investment policy or other appropriate document (i.e., bond documents)
- l. Statement denoting the ability of the City to meet the expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall not – or may not – be available.

The Quarterly Investment Report shall include all investments as of the end of the quarter from all funds held in the City’s portfolio, including funds held and invested by trustees, and shall be issued within 30 days after the end of the quarterly reporting period. The annual report shall be issued within 90 days of the end of the fiscal year.

The City shall submit copies of its second and fourth quarter investment reports to the California Debt and Investment Advisory Commission (CDIAC) within 60 days after the close of the second and fourth quarters of each fiscal year.

V. CRITERIA FOR SELECTING INVESTMENTS AND THE ORDER OF PRIORITY

1. **Safety:** Safety of principal is the foremost objective of the City of Sausalito. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.
 - **Credit risk:** Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing only with issuers whose financial strength and reputation can be verified to be the highest as rated by nationally known rating agencies and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the City's cash flow.
 - **Market Risk:** Market risk, the risk of the market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by:
 - (a) structuring the portfolio so that securities mature earlier than or concurrent with the timing of major cash outflows, thus eliminating the need to sell securities prior to their maturity; (b) prohibiting the use of leverage and margin accounts; and prohibiting the taking of short positions that is, selling securities which the City does not own. It is explicitly recognized herein, however, that in a diversified portfolio, occasional

measured losses are inevitable, and must be considered within the context of the overall investment return.

2. **Liquidity:** An adequate percentage of the portfolio will be maintained and liquid short-term securities which can be converted to cash if necessary to meet disbursement requirements. Since all cash requirements cannot be anticipated, investments in securities with active secondary or resale markets is highly recommended. Emphasis will be on marketable securities with low sensitivity to market risk.
3. **Yield:** Yield is the potential dollar earnings an investment can provide, and is sometimes described as the rate of return. Yield will become a consideration only after the basic requirements of safety and liquidity have been met.

VI. INVESTMENT TYPES AND GUIDELINES

The City is able to purchase and invest in the following instruments as stipulated under Section 53601 of the Government Code as well as guidelines set by the City:

1. US Treasury Bills, Notes and Bonds
 - No limit.
 - Maturity not to exceed 5 years.
2. Obligations Issue by Federal Agencies or a US Government Sponsored Enterprise such as Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA) & Sallie Maes.
 - Limited to 50% of the City's total portfolio.
 - Maturity not to exceed 5 years.
 - Subject to City Council approval before purchase.
3. Banker's Acceptance
 - Limited to 10% of the City's Total portfolio.
 - Limited to 5% in any one issuer.
 - Maturity not to exceed 180 days.
 - Prime quality depending upon the size and Credit worthiness of bank.
 - Subject to City Council approval before purchase.
4. Commercial Paper
 - Limited to 15% of City's total portfolio.
 - Limited to 5% in any one issuer.
 - Maturity not to exceed 180 days.
 - Rating of A1 or P1 either Standard & Poor's Corporation or Moody's Investor Services respectively.
 - Credit worthiness of the company based on Financial statements, publications & credit analysis of the major money market dealers. Eligible paper is limited to issuing United States corporations

- Extra care will be taken with this type of investment because of its nature as unsecured debt.
 - Subject to City Council approval before purchase.
5. Certificate of Time Deposits
- On uncollateralized deposits, City's portfolio limited to \$96,000.
 - On collateralized deposits, limited to 10% of City's total portfolio.
 - Maturity not to exceed 360 days.
 - Investment in local branches whenever possible for deposits over \$99,000 collateralization should be 110 to 115% principal issued by a state chartered bank of savings and loan association.
 - Emphasis on the size and financial statements and related information.
 - Subject to City Council approval before purchase.
6. Negotiable Certificates of Deposit
- Limited to 10% of the City's total portfolio.
 - Limited to 5% in any one issuer.
 - Maturity not to exceed 360 days.
 - Issued by a national or state chartered bank or federal savings & loan association or state licensed branch of a foreign bank.
 - Subject to City Council approval before purchase.
7. Repurchase Agreements
- Limited to 5% of the City's total portfolio.
 - Limited to 5% in any one issuer.
 - Maturity not to exceed 360 days.
 - Collateral may be any securities authorized in items 1 through 7 above.
 - A master Repurchase Agreement must be on file with the City.
 - Security market to market on a daily basis and delivered to the City's custodial bank at a market value greater than 105%.
 - Primarily used as an overnight investment and a vehicle to fill particular dates and amounts.
8. Reverse Repurchase Agreement
- Limited to 5% of the City's portfolio.
 - Maturity not to exceed 90 day
 - Transaction must match the reinvestment maturity date and the Reverse Repurchase Maturity date.
 - Must have a minimum of 35 – 50 basis points spread between the interest income and the interest expense on the Reserve Repurchase Agreement. Security should not be pledged as collateral for temporary borrowing except as authorized by the Director of Administrative Services/Treasurer.
 - Subject to City Council approval before purchase.
9. Medium Term Notes

- Maximum of five years maturity issued by corporation organized and operating within the United States or by depository license by the United States or any State operating within the United States.
- Subject to City Council approval before purchase

Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a national recognized rating service. Purchase of medium term notes may not exceed 5% of the agency's surplus money which may be invested pursuant to this section.

10. Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, and Marin County Investment pool, may be used up to the maximum permitted by California State Law.

VII. INVESTMENT PLACEMENT

Investment placement shall be determined by, not be limited to, continual evaluation projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecast. Additionally, the Treasurer will obtain at least two quotations from dealers, brokers, bank and saving the loan associations before finalizing the investment placement. The combination of these factors shall determine where, in what denominations, and for what maturity investments are made.

VIII. SELLING SECURITIES PRIOR TO MATURITY

Losses are only acceptable if the proposed swap/trade can clearly enhance yield over the life of the new security on all total return basis.

Sufficient written documentation will be maintained to facilitate audit of the transaction. Losses of any, will be recognized and recorded based on the transaction date.

SAFEKEEPING

All cash and securities in City of Sausalito's portfolio shall be held in safekeeping in City of Sausalito's name by a third party bank trust department, acting as agent for City of Sausalito under the terms of a custody agreement executed by the bank and City of Sausalito. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money market mutual funds, since the purchased securities are not deliverable. Evidence of each these investments will be held by City of Sausalito.

AUTHORIZED FINANCIAL DEALER AND INSTITUTION

A list will be maintained of financial institutions authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers (at least five years in operation). These may include "primary" dealers or regional dealers that are guaranteed by a primary dealer and qualify under Securities Exchange Commission Rule 15C3-1 (uniform net capital rule). If an investment advisor is used, they may use their own list of approved broker/dealers and financial institutions for investment purposes.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following as appropriate:

- audited financial statements or SEC Focus Report-Financial & Operational Combined Uniform Single Report Part II
- proof of National Association of Securities Dealers (NASD) certification,
- proof of state registration, and
- certification of having read the City's investment policy.

A competitive bid process shall be used to place all investment transactions. It shall be City of Sausalito's policy to purchase securities only from those authorized institutions and firms. No deposit of public funds shall be made except in a qualified public depository as established by state laws.

DELIVERY vs. PAYMENT

All security transactions entered into by City of Sausalito shall be conducted on a delivery-versus-payment (DVP) basis. This ensures that securities are deposited in the eligible financial institutions prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.

RESOLUTION NO. 5954

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAUSALITO
ACCEPTING REVISIONS AND ANNUAL APPROVAL
OF THE INVESTMENT POLICY**

WHEREAS, California Code Section 53646 (a) (2) requires City Council annual review and approval of the Investment Policy; and

WHEREAS, the City’s Investment Policy was adopted by City Council on January 10, 2012 and last reviewed on June 6, 2015; and

WHEREAS, staff has reviewed the investment policy to ensure any necessary updates have been incorporated; and

WHEREAS, staff recommends to follow the auditors’ recommendation to modify the Section 10 of the policy language to remove 30% limit on allowed investments in the Local Agency Investment Fund (LAIF) and allow to invest in the Marin County Investment pool in addition to LAIF:

NOW, THEREFORE, THE CITY COUNCIL HEREBY RESOLVES:

The City Council of the City of Sausalito hereby approves the revised Investment Policy included hereto as Attachment 8 of Agenda item 5.A of the June 23, 2020 Staff Report and incorporated herein by this reference:


RESOLUTION PASSED AND ADOPTED, at the regular meeting of the Sausalito City Council on the 23 day of June, 2020, by the following vote:

AYES:	Councilmember:	Reilly, Burns, Cox, Withy, Mayor Cleveland-Knowles
NOES:	Councilmember:	None
ABSENT:	Councilmember:	None
ABSTAIN:	Councilmember:	None

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SUSAN CLEVELAND-KNOWLES
MAYOR

ATTEST:

DocuSigned by:

919A8B149966467
HEIDI SCOBLE
CITY CLERK

ATTACHMENT

CITY OF SAUSALITO INVESTMENT POLICY

I. PURPOSE

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measured losses are inevitable, and must be considered within the context of the overall investment return.

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Attachment 8 – Revised Investment Policy

- Extra care will be taken with this type of investment because of its nature as unsecured debt.
 - Subject to City Council approval before purchase.
5. Certificate of Time Deposits
- On uncollateralized deposits, City's portfolio limited to \$96,000.
 - On collateralized deposits, limited to 10% of City's total portfolio.
 - Maturity not to exceed 360 days.
 - Investment in local branches whenever possible for deposits over \$99,000 collateralization should be 110 to 115% principal issued by a state chartered bank of savings and loan association.
 - Emphasis on the size and financial statements and related information.
 - Subject to City Council approval before purchase.
6. Negotiable Certificates of Deposit
- Limited to 10% of the City's total portfolio.
 - Limited to 5% in any one issuer.
 - Maturity not to exceed 360 days.
 - Issued by a national or state chartered bank or federal savings & loan association or state licensed branch of a foreign bank.
 - Subject to City Council approval before purchase.
7. Repurchase Agreements
- Limited to 5% of the City's total portfolio.
 - Limited to 5% in any one issuer.
 - Maturity not to exceed 360 days.
 - Collateral may be any securities authorized in items 1 through 7 above.
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 - Security market to market on a daily basis and delivered to the City's custodial bank at a market value greater than 105%.
 - Primarily used as an overnight investment and a vehicle to fill particular dates and amounts.
8. Reverse Repurchase Agreement
- Limited to 5% of the City's portfolio.
 - Maturity not to exceed 90 day
 - Transaction must match the reinvestment maturity date and the Reverse Repurchase Maturity date.
 - Must have a minimum of 35 – 50 basis points spread between the interest income and the interest expense on the Reserve Repurchase Agreement. Security should not be pledged as collateral for temporary borrowing except as authorized by the Director of Administrative Services/Treasurer.
 - Subject to City Council approval before purchase.
9. Medium Term Notes

Attachment 8 – Revised Investment Policy

- Maximum of five years maturity issued by corporation organized and operating within the United States or by depository license by the United States or any State operating within the United States.
- Subject to City Council approval before purchase

Notes eligible for investment under this subdivision shall be rated in a rating category of “A” or its equivalent or better by a national recognized rating service. Purchase of medium term notes may not exceed 5% of the agency’s surplus money which may be invested pursuant to this section.

10. Local Agency Investment Fund (LAIF), which is a State of California managed investment pool, and Marin County Investment pool, may be used up to the maximum permitted by California State Law.

- ~~○ The Local Agency Investment Fund (L.A.I.F.) was established by the state of California to enable treasurers to place funds in a pool for investments. There currently is a limitation of \$40 million per agency subject to a maximum of 10 total transactions per month. The City of Sausalito uses this fund when interest rates are declining as well as for short term investments and liquidity.~~
- ~~○ Limited to 30% of the City’s total portfolio.~~
- ~~○ Local Investment Pool~~

VII. INVESTMENT PLACEMENT

Investment placement shall be determined by, not be limited to, continual evaluation projection of market conditions, interest rate trends, cash flow needs, economic data, yield curves, and interest rate forecast. Additionally, the Treasurer will obtain at least two quotations from dealers, brokers, bank and saving the loan associations before finalizing the investment placement. The combination of these factors shall determine where, in what denominations, and for what maturity investments are made.

VIII. SELLING SECURITIES PRIOR TO MATURITY

Losses are only acceptable if the proposed swap/trade can clearly enhance yield over the life of the new security on all total return basis.

Sufficient written documentation will be maintained to facilitate audit of the transaction. Losses of any, will be recognized and recorded based on the transaction date.

SAFEKEEPING

All cash and securities in City of Sausalito’s portfolio shall be held in safekeeping in City of Sausalito’s name by a third party bank trust department, acting as agent for City of Sausalito under the terms of a custody agreement executed by the bank and City of Sausalito. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money market mutual funds, since the purchased securities are not deliverable. Evidence of each these investments will be held by City of Sausalito.

AUTHORIZED FINANCIAL DEALER AND INSTITUTION

A list will be maintained of financial institutions authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers (at least five years in operation). These may include "primary" dealers or regional dealers that are guaranteed by a primary dealer and qualify under Securities Exchange Commission Rule 15C3-1 (uniform net capital rule). If an investment advisor is used, they may use their own list of approved broker/dealers and financial institutions for investment purposes.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following as appropriate:

- audited financial statements or SEC Focus Report-Financial & Operational Combined Uniform Single Report Part II
- proof of National Association of Securities Dealers (NASD) certification,
- proof of state registration, and
- certification of having read the City's investment policy.

A competitive bid process shall be used to place all investment transactions. It shall be City of Sausalito's policy to purchase securities only from those authorized institutions and firms. No deposit of public funds shall be made except in a qualified public depository as established by state laws.

DELIVERY vs. PAYMENT

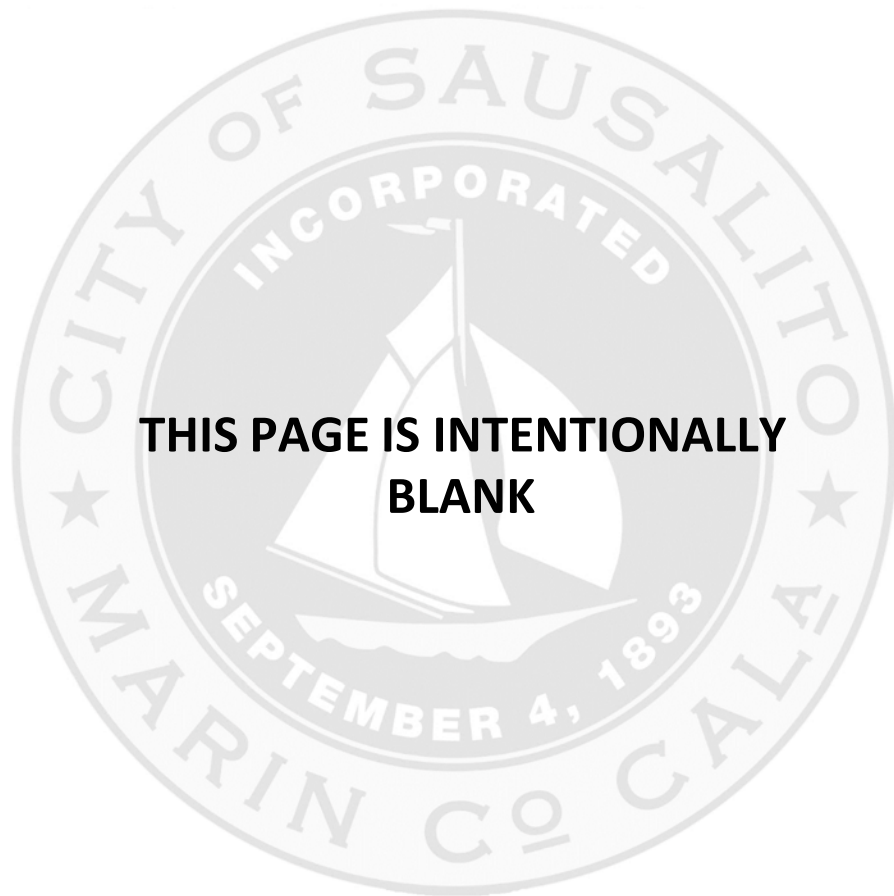
All security transactions entered into by City of Sausalito shall be conducted on a delivery-versus-payment (DVP) basis. This ensures that securities are deposited in the eligible financial institutions prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.



CITY OF SAUSALITO

Master Fee Schedule





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City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Administration		
Photocopying 8 1/2 x 11	\$0.25/page	
Photocopying 11 x 17	\$0.50/page	
Returned Checks	\$35	
Lost Checks	\$35	
Finance Charge to be applied to accounts with past due balance (unpaid invoices)	0.83% per month	
Collection Service Fee	Actual cost to the City	
Building (for Planning see below)		
\$1 to \$2,000	\$70	Valuation fees shall be rounded to the nearest dollar
\$2,001 to \$25,000	\$85	Plus \$12 for each additional \$1,000 or fraction thereof to and including \$25,000
\$25,001 to \$50,000	\$400	Plus \$10 for each additional \$1,000 or fraction thereof to and including \$50,000
\$50,001 to \$100,000	\$700	Plus \$7 for each additional \$1,000 or fraction thereof to and including \$100,000
\$100,001 to \$500,000	\$850	Plus \$5.50 for each additional \$1,000 or fraction thereof to and including \$500,000
\$500,001 to \$1,000,000	\$3,000	Plus \$4.50 for each additional \$1,000 or fraction thereof to and including \$1,000,000
\$1,000,001 and up	\$5,000	Plus \$10 for each additional \$1,000 or fraction thereof
Mechanical Permits	\$75	minimum, per Building Permit Fee
Electrical Permits	\$75	minimum, per Building Permit Fee
Plumbing Permits	\$75	minimum, per Building Permit Fee
Plan Check Fee	65%	Building Permit Fee
Expedited Plan Check Fee	125%	Of normal plan check fee
Additional Plan Check Fee	\$85	hour/ 1 hour minimum
Consultant Plan Check Fee	Actual cost plus processing	(15% administrative fee plus actual cost of consultant)
Re-inspection Fee	\$75	hour/ 1 hour minimum
Investigation Fee	\$75	minimum, Work without a Permit/ per Building Permit Fee
Condo Conversion and Special Inspections	\$75	hour/ 2 hours minimum
Inspections for which no fee is specifically indicated	\$75	hour/ 1 hour minimum
Plan Retention	\$35	
Seismic		Per State fee schedule
Energy Check	\$75	minimum, 20% of Building Permit fee
Re-roof		Per value using Building Permit Fee
State Building Standards Commission Surcharge		
\$1 to \$25,000	\$1	
\$25,001 to \$50,000	\$2	
\$50,000 to \$75,000	\$3	
\$75,001 to \$100,000	\$4	
Every \$25,000 or fraction thereof above \$100,000	\$1	
Construction Tax (Chapter 3.16 of Sausalito Municipal Code)	\$300	Dwelling Unit
Commercial Use	\$0.20	Sq. Ft

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Industrial Use	\$0.05	Sq. Ft
Duplication of Records		labor plus photocopying
8.5" x 11" page	\$0.25/page	
11" x 17" page	\$0.50/page	
Residential Building Report	\$450	Per Dwelling Unit
Penalty for undertaking construction prior to obtaining proper permits	3X the Building Permit Fee	\$500 minimum
Appeal Fee (Handicapped Access Appeals Board)	\$125	plus fee charged by members of Board for their service and any other special charges incurred by the City in processing the appeal
Solar Permits - Small Residential rooftop PV	\$450	Maximum (Up to 10 kV)
Solar Permits - Commercial Rooftop PV	\$1,000	Maximum
Finance Charge for past due balance (unpaid invoice)	0.83% per month	
Collection Service Fee	Actual cost	
Library		
Lost materials/long overdue items	Replacement cost + \$7 processing fee	
Printing from Library computers (black & white)	\$0.10/copy	
Printing from Library computers (color)	\$0.50/copy	
Parking		
Parking Meters		
Parking Meter Hourly Rate (Oct 1 to April 30)	\$1.50 per hour	
Daily Parking Meter Rental	\$15.00 per day	
Parking Meter Hourly Rate: Downtown Core (as defined SMC15.130.050) (May 1 to Sept 30)	\$3.00 per hour	
Parking Meter Hourly Rate: Downtown Periphery (within 250 ft of the Downtown Core) (May 1 to Sept 30)	\$2.50 per hour	
Parking Meter Hourly Rate: Non-downtown Commercial (May 1 to Sept 30)	\$1.50 per hour	
Municipal Parking Lot #1		
Hourly Rate 7am - 10pm (Oct 1 to April 30)	\$3.00 per hour	
Daily Maximum Rate (Oct 1 to April 30)	\$25 per day	
10pm - 7am (Oct 1 to April 30)	Free	
Hourly Rate (May 1 to Sept 30)	\$4.00 per hour	
Daily Maximum Rate (May 1 to Sept 30)	\$40 per day	
10pm - 7am (May 1 to Sept 30)	Free	
Resident SmartCard	3 hours free parking 8am-6pm & free 6pm-8am using resident card; \$3 per hour billed at all other times with a daily maximum charge of \$25	
Bicycle Parking		
Bicycle Parking 10am-6pm during high demand season	The City's Parking Manager shall charge a fee for parking of bicycles in the Tracy Way portion of Municipal Parking Lot No. 1 between 10-6pm during the seasonal closure of Tracy Way to vehicular traffic	
Bicycle Parking 6pm - 10am	Free	
Marin Resident Exemption (Bicycle Parking)	Bicycle ridden by residents of Marin County may park at no charge upon display of government issued identification with a photograph and a residence address in Marin County	

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Daily Fee for Bicycle Parking		The fee shall be not less than \$2.00 per day (if purchased in advance from a vendor supplied with tickets by the Ambassador Program or the City), or up to \$5.00 without such tickets
Municipal Parking Lot #2		
Hourly Rate 7am - 10pm (Oct 1 to April 30)	\$3.00 per hour	
Daily Maximum Rate (Oct 1 to April 30)	\$25 per day	
10pm - 7am (Oct 1 to April 30)	Free	
Hourly Rate 7am - 10pm (May 1 to Sept 30)	\$4.00 per hour	
Daily Maximum Rate (May 1 to Sept 30)	\$40 per day	
10pm - 7am (May 1 to Sept 30)	Free	
Resident SmartCard		3 hours free parking 8am-6pm and free 6pm-8am using resident card; \$2.00 per hour billed at all other times with a daily maximum charge of \$25
Municipal Parking Lot #3		
Hourly Rate, 8am-10pm (Oct 1 to April 30)	\$2.00 per hour	
Daily Maximum Rate (Oct 1 to April 30)	\$25 per day	
10pm-8am (Oct 1 to April 30)	Free	
Hourly Rate 7am-10pm (May 1 to Sept 30)	\$3.00 per hour	
Daily Maximum Rate (May 1 to Sept 30)	\$30 per day	
10pm-7am (May 1 to Sept 30)	Free	
Resident SmartCard		3 hours free parking 8am-6pm and free 6pm-8am using resident card; \$3 per hour billed at all other times with a daily maximum charge of \$14
Commuter SmartCard	\$4.00 per day	(\$40 minimum per card)
Municipal Parking Lot #4		
Hourly Rate 8am-6pm (Oct 1 to April 30)	\$1.00 per hour	
Daily Maximum Rate (Oct 1 to April 30)	\$5 per day	
6pm - 8am (Oct 1 to April 30)	Free	
Hourly Rate 7am-10pm (May 1 to Sept 30)	\$2.00 per hour	
Daily Maximum Rate (May 1 to Sept 30)	\$25 per day	
10pm-7am (May 1 to Sept 30)	Free	
Resident SmartCard		3 hours free parking 8am-6pm and free 6pm-8am using resident card; \$1.00 per hour billed at all other times with a daily maximum charge of \$5
Commuter SmartCard	\$4.00 per day	(\$40 minimum per card)
Municipal Parking Lots #1-4		
Flat Rate Social Event		The City's Parking Manager shall have the authority to over-ride the day-to-day parking fees for all or portions of Municipal Lots 1-4 on all or portions of days when the demand for spaces in said lots is expected to exceed the supply. Under those circumstances, the Parking Manager may establish flat-rate pricing for all or portions of said days and all or portions of said lots. The Parking Manager's authority in this event shall extend to allow pro-rated flat-rate charges for Resident Card holders following the expiration of the period of free parking provided for in the current, effective rates for the given Municipal Lot established elsewhere in the Master Fee schedule or the regular hourly rate for said Lot once the free parking and flat rate period expire.
City-Owned Property Adjacent to Downtown Public Restroom		

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Bicycle Parking 10am-6pm during season		The City's Parking Manager is authorized to charge a fee for parking of bicycles in racks on the City-owned property adjacent to the Downtown Public Restrooms without the loss of any vehicular parking spaces
Bicycle Parking 6pm-10am	Free	
Marin Resident Exemption		Bicycle ridden by residents of Marin County may park at no charge upon display of government issued identification with a photograph and a residence address in Marin County
Municipal Parking Lot #5		
L Permit	\$110 per quarter	
Hours of Operation		3 hours free parking 6am-2am; no parking 2am-6am; L permit exempted
Rental Parking Permits		
L Permit (Locust Street)	\$110 per quarter	
Regular D (Lot #4)	\$260 per quarter	
Resident D (residents of 400-1000 Bridgeway; 1-40 Princess; 90-92 Princess; 7 Excelsior)	\$190 per quarter	
Hotel Parking Rate		Pursuant to agreements
New or Replacement of lost/stolen or damaged Smart Card for Resident or Commuter/Downtown Parking	\$10 per card	
Reactivation of SmartCard cancelled for non-payment	\$10 per card	
Preferential Parking For Areas B, C and H		
Area Sticker	\$35 per year	
Guest Permit (limited to 2 per household)	\$35 per year	
Replacement Permit (area or guest)	\$25 per permit	
Temporary Guest Permit		
up to 1 week	Free	
up to 2 weeks	\$20	
up to 4 weeks	\$30	
up to 6 weeks	\$40	
up to 8 weeks	\$50	
Contractor Permits		
Meter Rental	\$8.00 per day	
In Residential Zones		
per day	\$2	
per month	\$40	
per quarter	\$100	
Bus Parking		
Single-use Rate (Oct 1 to April 30)	\$8 per visit	
Monthly Pass (Oct 1 to April 30)	\$240 per month	
Single-use Rate (May 1 to Sept 30)	\$10 per visit	
Monthly Pass (May 1 to Sept 30)	\$300 per month	
Finance Charge to be applied to account with past due balance (unpaid invoice)	0.83% per month	
Collection Service Fee		Actual cost to the City
Parks & Recreation		
Dunphy Park Rental		
Gazebo Area		
Group I (Sausalito Non-Profits)	\$26/hr	
Group II (Residents)	\$37/hr	
Group III (Non-Resident)	\$47/hr	
Group IV (Commercial)	\$58/hr	
Single Bocce Court		

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Group I (Sausalito Non-Profits)	\$16/hr	
Group II (Residents)	\$26/hr	
Group III (Non-Resident)	\$37/hr	
Group IV (Commercial)	\$47/hr	
Volleyball		
Group I (Sausalito Non-Profits)	\$16/hr	
Group II (Residents)	\$26/hr	
Group III (Non-Resident)	\$37/hr	
Group IV (Commercial)	\$47/hr	
Gabrielson Park Rental		by special permit only
Marinship Field Rental		
Group I (Sausalito Non-Profits/Youth)	\$21/hr	
Group II (Residents)	\$26/hr	
Group III (Non-Resident)	\$32/hr	
Group IV (Commercial)	\$42/hr	
MLK Soccer Field 1 or 2 Rental		
Group I (Sausalito Non-Profits/Youth)	\$21/hr	
Group II (Residents)	\$26/hr	
Group III (Non-Resident)	\$32/hr	
Group IV (Commercial)	\$42/hr	
MLK Softball Field Rental		
Group I (Sausalito Non-Profits/Youth)	\$21/hr	
Group II (Residents)	\$26/hr	
Group III (Non-Resident)	\$32/hr	
Group IV (Commercial)	\$42/hr	
Tennis Court (Marinship and MLK)		
Group I (Sausalito Non-Profits/Youth)	\$21/hr	
Group II (Residents)	\$26/hr	
Group III (Non-Resident)	\$32/hr	
Group IV (Commercial)	\$42/hr	
Other Parks		
Group I (Sausalito Non-Profits/Youth)	\$16/hr	
Group II (Residents)	\$28/hr	
Group III (Non-Resident)	\$42/hr	
Group IV (Commercial)	\$58/hr	
Edgewater Room Rental		
Groups under 25		
Group I (Sausalito Non-Profits/Youth)	\$21/hr	
Group II (Residents)	\$32/hr	
Group III (Non-Resident)	\$42/hr	
Group IV (Commercial)	\$58/hr	
Groups over 25		
Group I (Sausalito Non-Profits/Youth)	\$37/hr	
Group II (Residents)	\$47/hr	
Group III (Non-Resident)	\$58/hr	
Group IV (Commercial)	\$84/hr	
Exercise Room Rental		
Groups under 25		
Group I (Sausalito Non-Profits/Youth)	\$21/hr	
Group II (Residents)	\$32/hr	
Group III (Non-Resident)	\$42/hr	
Group IV (Commercial)	\$58/hr	
Groups over 25		
Group I (Sausalito Non-Profits/Youth)	\$37/hr	
Group II (Residents)	\$47/hr	

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Group III (Non-Resident)	\$58/hr	
Group IV (Commercial)	\$84/hr	
Game Room Rental		
Groups under 25		
Group I (Sausalito Non-Profits/Youth)	\$21/hr	
Group II (Residents)	\$26/hr	
Group III (Non-Resident)	\$37/hr	
Group IV (Commercial)	\$47/hr	
Groups over 25		
Group I (Sausalito Non-Profits/Youth)	\$32/hr	
Group II (Residents)	\$42/hr	
Group III (Non-Resident)	\$53/hr	
Group IV (Commercial)	\$68/hr	
MLK Gymnasium Rental		
Group I (Sausalito Non-Profits/Youth)	\$42/hr	
Group II (Residents)	\$58/hr	
Group III (Non-Resident)	\$74/hr	
Group IV (Commercial)	\$89/hr	
Special Event Applications		
High Impact	\$150	
Low Impact	\$50	
Reapplication Fee (low impact event) for events recurring on an annual basis with no substantial changes	\$25	
Alcohol Permit Application	\$50	
Appeal Fee (Each Appeal)	\$500	
Parking and Traffic mitigation	\$1/car; \$65 minimum	
Refundable Cleaning/Damage Deposit		
High Impact Event	\$500	
Low Impact Event	\$100-200	
Refundable damages deposit for City facilities without kitchen	\$265	
Refundable damages deposit for City facilities with kitchen	\$535	
Cleaning Charge for rental with kitchen	\$50	
Charges for damages	Actual costs	plus administrative processing 20%
Filming and Still Photography Application (does not include facility rental or Encroachment fees as necessary)		
Still Photography	\$160	
Video, Documentary, Corporate, Industrial, Short	\$270	
Commercial	\$475	
TV Series, Feature Film	\$675	
Encroachment Fee (Sidewalks/City Streets)	\$70	
Parking Spot Per Day (Single)	\$25	
Rush Fee (less than 2 weeks notice)	\$100	
Banners (Available to Sausalito Non-Profits only)		
Lamp Post Banner (all posts)	\$154	
Bridgeway Banner (By Shell Station)	\$154	
Fishing Pier Banner & Basketball Court Combination	\$154	
Memorial Benches		
Bridgeway	\$5,000 ea	
Dunphy Park	\$3,000 ea	
Gabrielson Park (on water)	\$5,000 ea	
Gabrielson Park (inland)	\$3,000 ea	
Harrison Park	\$2,000 ea	
Tiffany Park	\$2,500 ea	
Bay & Humboldt/Parking Lot #3	\$1,500 ea	
Robin Sweeny Park	\$2,000 ea	

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
MLK Park	\$2,000 ea	
Langendorf Park	\$2,000 ea	
Cazneau Park	\$2,000 ea	
Cloudview Park	\$2,000 ea	
Contract Classes		
Fees are set by Contractor, City to retain 20-30%	Varies	
Non-Resident Fee Single Class Add On	\$1	
Non-Resident Full Session Add On	\$10	
Yard Sale		
Booth Fee	\$15-\$36	
36"-40" Round Table	\$8 ea	
6' Rectangular Table	\$13	
Jazz and Blues by the Bay		
Season Table-Resident	\$550	
Season Table-Non-Resident	\$650	
Single Concert Table-Resident	\$60	
Single Concert Table-Non-Resident	\$70	
Extra Chair	\$5	
Special Events - Other		
Admission	\$0-\$50	
Sponsor Fee	\$25-\$10,000	
Event Vendor 6' table and 2 Chairs	\$25	
Tent & 2 Tables	\$30	
Food, Beverages, Merchandise	\$1-\$75	
Miscellaneous		
Staff/Labor (Van driving, facility clean-up/repairs, etc.)	Actual Staff Time	
15 passenger van	\$15 hr + staff	
Planning (for Building see above)		
General Plan / Specific Plan / Zoning Ord Amend.		
General Plan/Specific Plan Map or Text Amend	\$10,710	Deposit
Rezoning	\$5,565	Deposit
Zoning Ordinance Text Amendment	\$7,065	Deposit
Design Review		
Administrative or Zoning Administrator	\$2,675	Fixed
Modification: Administrative or Zoning Administrator**	\$1,175	Fixed
PC Review - 500 s.f.. or less	\$3,210	Fixed
Modification: 500 s.f.. or less **	\$2,460	Fixed
PC Review - More than 500 s.f..	\$4,280	Fixed
Modification: more than 500 s.f. **	\$3,210	Fixed
PC Review - New Structure	\$5,890	Deposit
Modification: New Structure **	\$3,745	Deposit
Heightened Design Review (Additional charge applied for projects close to City ordinance limits)	\$1,390	Fixed
Permits		
Conditional Use Permit		
Residential	\$3,745	Fixed
Non-Residential	\$5,355	Fixed
Conditional Use Permit – Modification		
Residential	\$2,675	Fixed
Non-Residential	\$3,320	Fixed
Minor Use Permit	\$1,285	Fixed
Condominium Conversion Permit		
Minor (<4 units)	\$3,210	Fixed

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Major (5+ units)	\$5,355	Fixed
Hotel Condominium Conversion Permit	\$6,640	Deposit
Accessory Dwelling Unit Permit	\$1,200	
Junior Accessory Dwelling Unit Permit	\$405	
Non-Conformity Permit	\$4,390	Fixed
Occupancy Permit		
Within Marinship Specific Plan Area	\$90	Fixed
Elsewhere	\$60	Fixed
Sign Permit:		
Administrative Review	\$585	Fixed
Planning Commission Review	\$2,675	Fixed
Tree Permit		
Protected Tree - Private or Public Property (11.12.090.A)		
- First Tree	\$1,040	Fixed
- Each Additional Tree	\$80	Fixed
View Claim - Private or Public Property (11.12.040.B&D)		
First Tree	\$3,210	Fixed
Each Additional Tree	\$80	Fixed
Zoning Permit:		
Major	\$515	Fixed
Intermediate	\$300	Fixed
Minor	\$85	Fixed
Sidewalk Vending Permit (13.33.030)	\$270	Fixed
Sidewalk Dining Encroachment Permit - Total	\$2,675	
Administrative Review and City Council Review - Planning	\$1,820	Fixed
Administrative Review and City Council Review - Engineering	\$1,120	
Administrative Review and City Council Review - Total	\$2,940	
Planning Commission and City Council Review - Planning	\$3,935	Fixed
Planning Commission and City Council Review - Engineering	\$2,430	
Planning Commission and City Council Review - Total	\$6,365	
Environmental Review		
Categorical Exemption	\$960	Fixed
Mitigated Negative Declaration consultant preparation	\$3,425	Deposit
Environmental Impact Report consultant preparation	\$3,425	Deposit
Historic Reviews		
50-Year Old Structures	\$480	Fixed
Historic Overlay District or Noteworthy Struct	\$745	Fixed
Subdivisions:		
Tentative Subdivision Map Appli (5+ parcels)	\$10,710	Deposit
Parcel Map Applications (< parcels)	\$7,495	Fixed
Amendment to Tentative Map	\$2,780	Deposit
Lot Line Adjustment	\$4,070	Fixed
Lot Merger	\$4,070	Fixed
Certificate of Compliance	\$1,285	Fixed
Small Cell Wireless Facilities		
Small Cell Wireless Facility Application (1-5 facilities in single application)	\$500	Fixed
Small Cell Wireless Facility Application (each facility beyond 5 in same application)	\$100	Fixed
Small Cell Wireless Facility Annual Use	\$270	Fixed
Miscellaneous Fees:		
Alcohol Service Permit	\$2,780	Fixed
Appeals:		
Community Development Director	\$1,070	Fixed
Zoning Administrator	\$1,285	Fixed
Planning Commission (by applicant)	\$2,780	Fixed

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Planning Commission (by non-applicant)	\$2,780	Fixed
Construction Time Limits		
Time Limit Extension (10.54.100.D)	\$275	Fixed
Time Extension of Approved Permit (10.50.140)		
Zoning Administrator	\$960	Fixed
Planning Commission	\$1,820	Fixed
Variance Administrative:		
First variance	\$1,865	Fixed
Each Additional Variance	\$960	Fixed
Variance Planning Commission:		
First variance	\$4,820	Fixed
Each Additional Variance	\$2,780	Fixed
Variance Modification Administrative	\$1,175	Fixed
Variance Modification Planning Commission: **		
First variance	\$2,675	Fixed
Each Additional Variance	\$2,140	Fixed
Marinship Specific Plan Exception (10.28.050F)	\$5,030	Deposit
Wireless Compliance Review (10.45.070)	\$745	Fixed
Administrative Approval of Changes to Approved Project	\$1,070	Fixed
Planning Commission Determination of Use (10.80.080)	\$2,460	Fixed
Zoning Ordinance Interpretation	\$2,140	Fixed
Pre-Application Meeting	\$215	Fixed
Planning Commission Study Session	\$2,995	Fixed
4th and subsequent review (per submittal)	\$1,440	Fixed
Building Permit Review	\$140	Fixed
Administrative Fees		
Residential Building Report	\$480	Fixed
Non - Residential Building Report	\$480	Fixed
Contract Administration	20% of contract amount	Deposit
Noticing		
300 ft. required	\$585	Fixed
500 ft. required	\$695	Fixed
Applicant Requested Continuance	\$585	Fixed
Photocopying		
8-1/2 x 11	\$0.25/page	Fixed
11 x 17	\$0.50/page	Fixed
Large Format (B/W) (fee is per SF)	\$2/SF	Fixed
Printed documents (e.g., General Plan, Zoning Ordinance)		
Fee for electronic copy on disk	\$10	Fixed
Reproduce in hard copy	Actual Cost	Fixed
Maps (e.g., General Plan, Zoning)	\$20	Fixed
Duplication of Records/Research	labor + photocopying	Hourly
Audio recording of meetings ***	\$10 plus cost of media	Fixed
Agenda Service (per year)	\$265	Fixed
Amendments to Ordinances	\$5,675	
Police		
Police Report		
First 10 pages	\$15	
Each Additional page	\$1	
Use of Police Officer during filming and special events		

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Special Events	\$80	4 Hour Minimum
Filming	\$190	4 Hour Minimum
Vehicle Releases	\$190	
Clearance Letters	\$25	
Certification of Citation Correction (CVC 40616)		
Resident or cite issued by Sausalito PD	\$80	
Non-resident or cite issued by outside agency	\$95	
Subpoena - Records		
First 10 pages	\$15	
Each Additional page	\$1	
Civil Subpoena		
Deposit required at the time subpoena is served	\$275	
Officer, per Hour	\$80	4 Hour Minimum
Burglar/Panic and Fire Alarm Fees:		
Alarm Application Fee / Initial Permit	\$80	
Alarm Permit Registration Renewal	\$40	
Alarm Reinstatement Fee	\$105	
First three false alarms	\$0	
False alarms 4, 5, and 6 (fee is each)	\$105	
False alarms 7, 8, 9 and 10 (fee is each)	\$210	
False alarms 11 and beyond (fee is each)	\$320	
False alarms after reinstatement (fee is each)	\$210	
No Alarm Permit Response Penalty	\$0	
Emergency Response Cost Reimbursement	\$190 x Number of Officers	
Concealed Weapons Permit Fees (set by California Penal Code Section 26190(a) through (d)*)		
New License application fee	\$44 State fee + \$100 + Fingerprinting	
License Renewal Fee	\$77	
License Amendment Fee	\$10	
Psychological exam	\$150 Cap for initial exam	
Research or Customized Documentation Requests (per half hour increment)	\$95	
Digital Photo Request (per page)	\$15	
Solicitor Permits		
Live Scan Fee	\$50	
Application Fee	\$95	
Repossession Administrative Fee (Govt Codes 26751 & 41612)	\$15	
Review of Personal Local Criminal History (PC 13322)	\$25	
Copies of Other Medium	Cost of Materials	
Public Records Act Request Fee (Govt Code 6253.4)		
Reproduction of standard sized documents 8 ½ by 14 inches or less, cost per page	\$0	
Reproduction of larger documents or reproduction to other forms of medium	Cost of Materials	
Review of documents	\$0	
Subpoena Duces Tecum (Evidence Code 1563(b)(1))		
Reproduction of documents		
- Standard sized 8 ½ by 14 inches or less, cost per page	\$0	
- Copying of documents from microfilm, cost per page	\$0	
- Reproduction of oversized documents	Cost of Materials	
Clerical research & reproduction costs based on quarter hour	\$6	
Postage charges	Cost of Postage	
Fees charged by third person for retrieval & return of records	Cost of Materials	
Public Works		
Administrative Processing / Review of Consultant Services - Deposit	\$3,210	Deposit
Address Change Letter	\$290	Fixed

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Appeals		
Minor (Division or Department Head review)	\$1,070	Fixed
Major (Commission or Council review)	\$4,820	Fixed
Certificate of Subdivision Map Act Compliance	20% of contract amount	
Certification of Private Sewer Lateral Upon Sale or Remodel		
Single Lateral	\$425	Fixed
Common Lateral	\$745	Fixed
Sewer - Re-Inspection (per re-inspection)	\$160	Fixed
Construction Impact Fee	0.85% of valuation plus \$5 per CY surcharge	
Encroachment Permits		
Temporary Use of Public ROW	\$70	Fixed
Encroachment Application: (under 10K construction valuation, or within the thresholds of sample projects listed below)	\$585	Fixed
- Utility Install/Repair - Private/Small: includes up to 25 s.f. Pit and up to 80 s.f. trenching)		
- Driveway Install/Repair - up to 15 l.f./Sidewalk up to 400 s.f.		
- Drainage/Curb&Gutter Install/Repair - I up to 75 l.f. of C&G, one catch basin)		
Encroachment Application: (between 10K and 50K construction value, or exceeding thresholds described for Encroachment projects under 10k)	\$960	Fixed
Encroachment Application: (>50K construction value, examples include Unusual work, Large scale (> one block), Major Utility Replacement/ Enhancement, Redevelopment/Reconstruction of Street, Private Utility Undergrounding Projects)	\$1,605	Fixed
Encroachment Inspection: (>50K construction value, examples include Unusual work, Large scale (> one block), Major Utility Replacement/ Enhancement, Redevelopment/Reconstruction of Street, Private Utility Undergrounding Projects)	20% of contract	Deposit
Administrative Review and City Council Review - Planning	\$1,820	Fixed
Administrative Review and City Council Review - Engineering	\$1,120	
Administrative Review and City Council Review - Total	\$2,940	
Planning Commission and City Council Review - Planning	\$3,935	Fixed
Planning Commission and City Council Review - Engineering	\$2,430	
Planning Commission and City Council Review - Total	\$6,365	
Sewer - Street Repair Deposit	2% of value of work in excess of \$25,000	
Performance Security Deposit - repair of City Streets (Pursuant to Section 17.16.090 of the SMC)	Up to 100% of value of work.	
Inspection Deposit - Contract Inspector	Direct Cost + 20%; \$2,500 Deposit	
Equipment Rental	Per latest CalTrans Schedule	
Final/Parcel Map (City Administration Fee only - consultant Costs passed through separately)	Direct Cost + 20%; \$2,500 Deposit	
Grading - Excavation Plan Check Permit Fee:		
50 cubic yards or less	\$320	
51 to 100 cubic yards	\$480	
101 to 10,000 cubic yards	\$650	
10,001 to 100,000 cubic yards	\$810	
100,001 or more cubic yards	\$960	
Grading - Excavation Inspection Fee:		
50 cubic yards or less	\$160	
51 to 100 cubic yards	\$235	
101 to 10,000 cubic yards	\$480	
10,001 to 100,000 cubic yards	\$810	
100,001 or more cubic yards	\$895	
Storm water Inspection Fee	1.5% of permit fee	

City of Sausalito - Master Fee Schedule

Fee Description	Fee	Fee Type*/Comment
Letters of Certification (other than Certificate of Subdivision Map Act Compliance)	\$290	
Photocopying		
8-1/2 x 11	\$0.25/page	
11 x 17	\$0.50/page	
Large Format (B/W)	\$2/SF	
Transportation Fee (oversize/overweight)		
Single Trip	\$15	
Annual	\$90	
Right of Way Vacation - Base Fee (0-100 sq. ft.)	\$2,355	
Plus per each additional sq. ft. over 100 sq. ft.	\$20	
Research Rate (per half hour increment)	\$80	
Sewer Connection, per SMCSO requirements	\$2,140	
Undergrounding Variance Permit (18.08)	\$1,605	
Undergrounding Construction Deposit	\$9,745	
Clean-up Deposit	\$800	
Water Wells (renewal and or approval)	\$1,285	
Tree Permits		
Protected Tree on Public Property	\$160	
View Claim - Private Property	\$425	
Emergency Removal - Private Property	\$320	
Protected Tree on Private Property	\$425	
View Claim - Public Property	\$425	
Amendments to Ordinances	\$5,890	
Assurance/Insurance Form Review (non-standard forms)	\$160	
GIS Production	\$320	
Custom Maps	\$650	
Letters - Misc. Request	\$150 + Research Time	
City Maps (24 x 36)	\$20	
Duplication of Records (Per Hour)	\$44	
Consultant Preparation	20% plus Actual Cost	
Administrative Processing	20%	
Finance Charge for past due balance (unpaid invoice)	0.83% per month	
Collection Service Fee	Actual Cost	
Variance to Flood Plain	\$3,210	
Appeal to City Council	\$3,210	
Certificate of Compliance	\$1,605	
Custom Maps	Actual staff time + cost	
Work Done in the R/W without a permit *****	3X the Encroachment Permit Fee	

All classification of Encroachment projects as Simple, Complex, or Major are at discretion of Engineering Staff

* "Deposit" indicates project types which require an initial deposit amount. Time and materials will be tracked and debited from that account per the project's requirements. "Fixed" indicates project types which pay a flat fee for service, including up to two commission and/or Council level review meetings. If a Negative Declaration or Environmental Impact Report are required, or a third Council or Commission level review is required, an additional "Deposit" based fee amount will be required.

** The "Modification" fee is applicable to applications filed within one year of approval of the original permit

*** The applicant is responsible for all consultant and supplemental report costs, as well as Department Fish and Game fees (if applicable)

**** Same as construction without Building Permit (3X Fee)

City of Sausalito Strategic Plan



Includes

Mission

Vision

Values

Goals

Strategies

**2020
to
2026**



Prepared for the City of Sausalito by Management Partners



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City of Sausalito City Council



Mayor
Susan Cleveland-Knowles



Vice Mayor
Ray Withy



Councilmember
Joe Burns



Councilmember
Joan Cox



Councilmember
Jill Hoffman
(on military leave)



Interim Councilmember
Tom Reilly



Message from the City Manager



To the Sausalito City Council and Community,

The exceptional quality of life, work and play that Sausalito offers its residents, businesses and visitors has resulted from decades of strong leadership and thoughtful land use and infrastructure planning.

This Council has chosen to follow that proud tradition for the future, ensuring that Sausalito retains its strengths as we grow and prosper during the years ahead. In addition, we have chosen to pursue new opportunities to further enhance our community, despite the economic and statewide challenges that loom.

The City Council’s commitment to developing and adopting this Strategic Plan provides a critically important roadmap for the City organization. The City staff greatly appreciates the clarity of the Council’s direction, and the willingness of the entire City Council to work with staff and the community to maintain all that we love about Sausalito.

Respectfully,

Adam Politzer
City Manager
 February 2020



Strategic Planning Overview



The City Council and staff has developed this new Strategic Plan to set forth the direction of the City's work for the next six years.

Input to the plan included interviews with all City Councilmembers and a one-day strategic planning workshop. Specific items considered included the City's strengths and limitations, as well as opportunities for the future and the challenges that may arise.

The result is a plan describing the City's mission and vision and the values that guide the City's work. The plan includes five overarching goals for the next six years and specific strategies to achieve each goal. All of these were developed jointly by the Council and staff.

But any strategic plan is only as strong as its implementation. The City Manager will provide annual reports on progress made on the Strategic Plan, along with other communications on specific projects and initiatives, as appropriate. Additionally, every year the City Council will revisit the Strategic Plan to identify any updates that may be required, as well as specific priorities for the next two years.

The strategic plan is a **living document**, featuring a comprehensive framework that can be **adjusted based on the needs of the community**.

It contains the **City Council priorities** to be met through the teamwork of staff, Council, and advisory boards.



Mission

*A mission is a statement
of the purpose
of the organization.*

*It defines what
the organization stands for
and what it will do.*



Our mission is:

The City of Sausalito serves those who live, work and visit in the City by fostering new opportunities to protect and improve the quality of life in our unique waterfront community.

Vision

The vision statement is aspirational with a focus on the future.

It is a statement of where the organization is going.



Our vision is:

Sausalito will bring together its residents, businesses and visitors to create a thriving, safe, environmentally welcoming, and friendly community that cultivates its natural beauty, history, the arts and waterfront culture.



Values

Values provide the basis for how the organization and its members will work to achieve the mission, vision and goals.



The City of Sausalito values...

- Innovation, creativity and informed risk taking
- Transparent and accessible government
- Creating an environment where people excel to their full potential
- Professionalism and accountability
- Respect for equity and inclusion
- Excellence in public service
- Teamwork



Overarching Goals

The City Council adopted five goals to support the City's mission and vision.



Goal A.

- Utilize comprehensive planning to balance the community's character and diversity with its evolving needs.

Goal B.

- Strengthen our community identity.

Goal C.

- Enhance our fiscal resiliency.

Goal D.

- Continually improve and maintain infrastructure while addressing climate change and ensuring resiliency.

Goal E.

- Maintain a strong organization to deliver effective, efficient and sustainable municipal services.



Goal A. Utilize Comprehensive Planning to Balance the Community's Character and Diversity with its Evolving Needs.



The City of Sausalito has a long history of proactive planning to address emerging City issues and community needs. Four strategies have been identified to preserve the historic and maritime attributes of the City, as well as implementing the recently completed update to the City's General Plan.

Strategies

1. Broaden Richardson Bay management.
2. Develop city-side improvements for the new ferry landing.
3. Protect historic resources.
4. Prioritize other General Plan implementation action items.

Goal B. Strengthen Our Community Identity.



Sausalito has a unique identify and role in the San Francisco Bay Area as a beautiful, hillside and waterfront community with both a diverse population and strong tourism. Six strategies will preserve the City's unique identify.

Strategies

1. Preserve quality education and youth services for Sausalito families.
2. Position Sausalito as an age-friendly City.
3. Support Caledonia as a resident-serving retail and services district.
4. Stimulate Sausalito's identity as an artistic, environmental, and innovation hub.
5. Improve the visitor-serving experience in Downtown.
6. Foster our reputation for maritime services and facilities.



Goal C. Enhance Our Fiscal Resiliency.



Sausalito is fiscally strong, but even greater attention must be paid to the City's resilience given both external pressures and internal opportunities. Seven strategies will contribute to achieving this goal.

Strategies

1. Create a short- and long-term economic development strategy.
2. Identify new opportunities to increase or diversify City operating and capital improvement funding.
3. Prepare for a future recession to minimize service impacts.
4. Develop strategies to address unfunded pension and other post-employment benefit liabilities.
5. Develop departmental budget presentations which identify strategic alignment and changes to services.
6. Ensure adequate cost-recovery level by conducting a user fee study and updating the cost allocation plan.
7. Pursue and implement shared services agreements.



Goal D. Continually Improve and Maintain Infrastructure while Addressing Climate Change and Ensuring Resiliency.



Sausalito's unique topography, age and array of services require ongoing investment in the City's infrastructure, especially in light of climate change related events and impacts. Seven strategies will contribute to achieving this goal.

Strategies

1. Implement the sewer distribution system consolidation.
2. Develop an undergrounding strategy for old and new services.
3. Develop a transportation circulation improvement plan.
4. Prepare an updated Hazards Mitigation Plan focused on both hillside and waterfront risks resulting from climate change.
5. Approve a wireless technology plan for all of Sausalito.
6. Develop an infrastructure improvement financing plan which allows integration of the City's strategic plan, long-term fiscal forecast, capital improvement program, and budget process.
7. Proactively maintain an asset management plan.



Goal E. Maintain a Strong Organization to Deliver Effective, Efficient and Sustainable Municipal Services.



An organization is only as strong as its people, and the City of Sausalito is no different. Six strategies will contribute to ensuring a strong workforce that is able to deliver the highest quality services possible in the most efficient way possible.

Strategies

1. Develop an employee retention, recruitment, and succession plan to ensure high-quality staffing for the community.
2. Improve communications and transparency to increase community involvement.
3. Restructure and streamline service delivery.
4. Adopt new technologies to enhance and streamline City services.
5. Ensure police patrol services maintain equitable coverage.
6. Collaborate with regional partners in a manner that benefits the community.



Strategic Plan Implementation



An Implementation Action Plan is an important accompaniment to this Strategic Plan. The Action Plan will contain tasks, milestones, lead responsibilities, and resource constraints for each strategy. It will be developed by City staff, with assistance from Management Partners, following adoption of the Strategic Plan.

City staff will report on the progress of the Strategic Plan on a regular basis. Providing timely information to the City Council and community is critical to the success of the City.

Through annual reports and the City's budget process, City staff will ensure that the Strategic Plan and its Implementation Action Plan are pursued and achieved through the year 2026.

Conclusion



The City of Sausalito Strategic Plan establishes strategies for the next six years to meet the City’s five overarching goals. The Plan articulates the organizational mission and vision of the City and establishes a set of values and goals as a guide for decision making. The associated Implementation Action Plan identifies projects and funding needs necessary to implement this Strategic Plan. Without new resources and funding, addressing all of the City priorities will not be possible.

Accountability for the Strategic Plan will be provided through regular reports by the City Council. Progress on the Plan will be reviewed annually, with updates as strategies are completed and as new issues emerge.

Strategic Planning Project Team

Adam Politzer
City Manager

Yulia Carter
Assistant City Manager/
Administrative Services Director

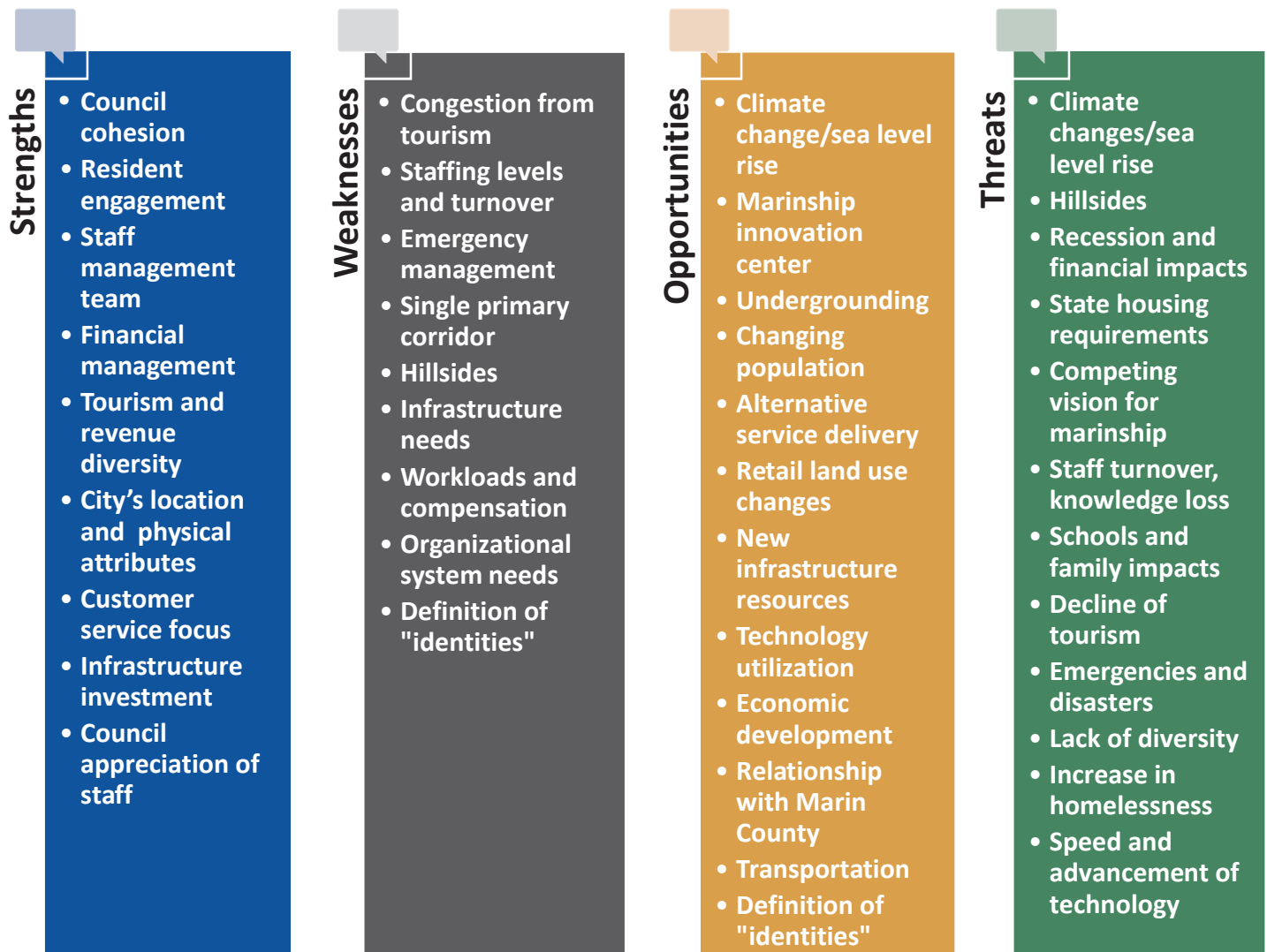
City Executive Team



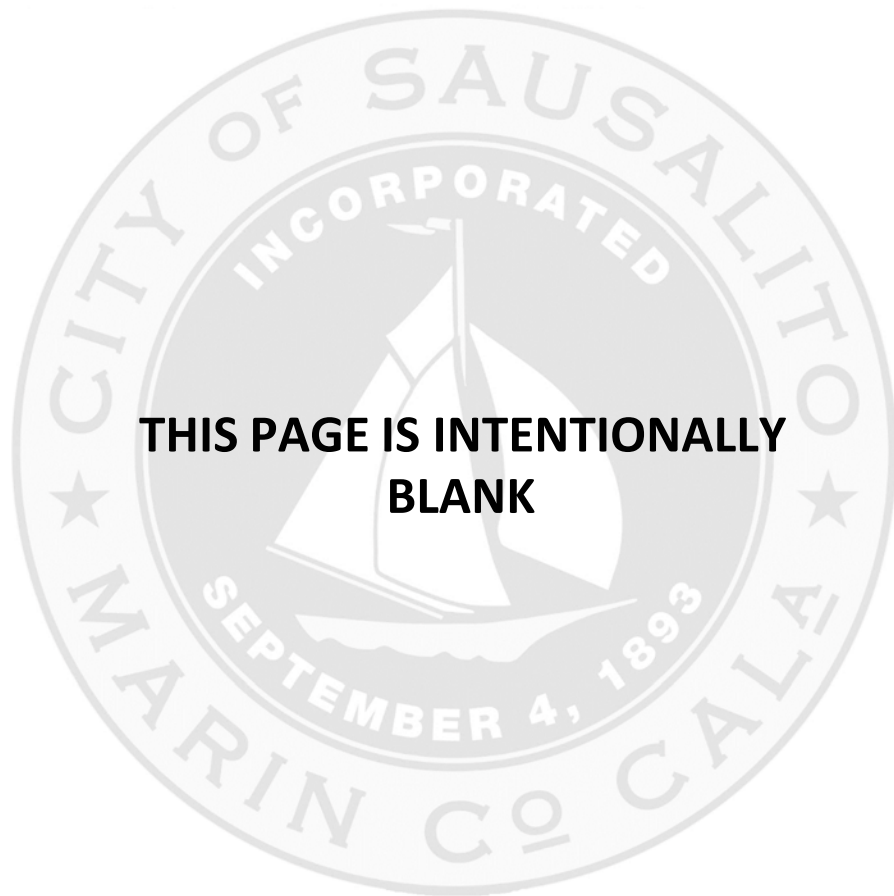
Attachment A. Sausalito's Strengths, Weaknesses, Opportunities and Threats

The strategic planning process for the City of Sausalito included information gathering from City Council and key staff members through individual interviews followed by a strategic planning workshop. During this process, Management Partners asked all participating members to share their thoughts on the City's strengths, weaknesses, opportunities, and threats (SWOT).

Provided below are items highlighted by City Council and staff.







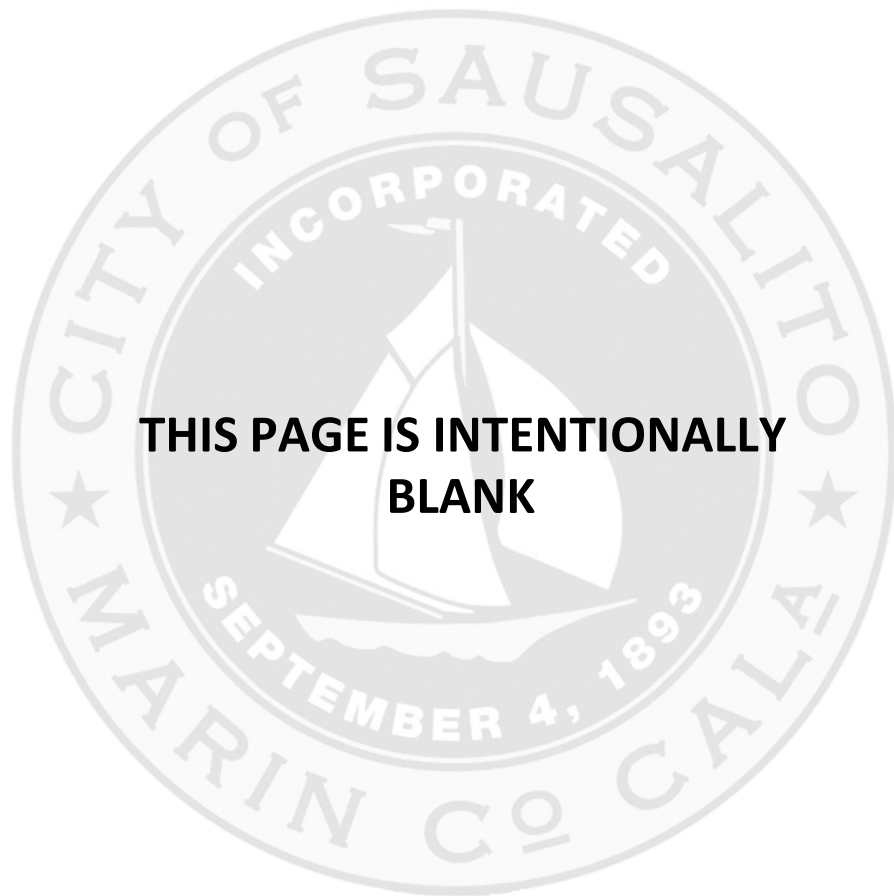
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CITY OF SAUSALITO

Glossary





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Budget Glossary

ACTIVITIES

Specific services performed in accomplishing program objectives and goals.

ACCRUAL

A method of accounting to record revenues when earned and expenses when incurred.

ACTUAL

A column heading in the budget. Figures found in the Actual column indicate actual financial information recorded for that time period.

ADOPTED BUDGET

This is the budget that is adopted by the City Council after reviewing and providing feedback and direction on the recommended budget at one or more budget study sessions.

AGENCY FUNDS

Also known as Fiduciary Fund Types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies. The fiduciary funds used by the City include agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not measure the results of operations.

APPROPRIATION

An authorization made by the City Council which permits the City to incur obligations and to make expenditures of resources in providing services as planned.

APPROPRIATION LIMIT

Propositions 4 and 111 created a restriction on the amount of revenue which can be appropriated in any fiscal year. The Limit is based on actual appropriations during the 1978-79 fiscal years, and is increased each year using the growth of population and inflation. Not all revenue is restricted by the limit; only those which are referred to as "proceeds of taxes." Some examples of proceeds of taxes are sales tax, property tax, and business license tax.

ASSESSED VALUE

A value established for real property for use as a basis in levying property taxes. For all agencies in the State of California, assessed value is established by the County for the secured and unsecured property tax rolls. The utility property tax roll is valued by the State Board of Equalization. Under Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978) properties are assessed at 100% of full value. Proposition 13 also modified the value of real taxable property for fiscal year 1979 by rolling back values to fiscal year 1976 levels. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal. Property taxes for general purposes cannot exceed 1% of assessed value.

AUDIT

Conducted by an independent certified public accountant (CPA), the primary objective of an audit is to determine if the City's financial statements present fairly the City's financial position and results of

operations in conformity with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards for Comprehensive Annual Financial Reporting. In conjunction with their performance of an audit, the auditing standards require an independent auditor to report to the City Council of audit findings on adequacy of the City's internal controls as well as recommendation and improvements to the City's financial management practices.

BALANCED BUDGET

A balanced budget is a situation in financial planning or the budgeting process where total revenues are equal to or greater than total expenses.

BEGINNING/ENDING FUND BALANCE

Appropriated resources available in a fund from the prior/current year after payment of the prior/current fiscal year's expenses. This is not necessarily cash on hand.

BONDS

Bonds are a form of borrowing (debt financing) which reflects a written promise from the City to repay a sum of money on a specific date at a specified interest rate. Local governments use bonds to obtain long-term financing for large capital projects such as buildings, streets, utility infrastructure, and bridges.

BUDGET

A budget is a financial plan for a specified period of time that matches planned revenue and expenditures to municipal services, goals and, objectives. The City uses a financial plan covering a fiscal year (July 1 through June 30), with actual budget appropriations made annually.

BUDGET AMENDMENT

The City Council has the sole responsibility for adopting the City's budget and may amend or supplement the budget at any time after adoption by majority vote. The City Manager has the authority to approve administrative adjustments to the budget as long as those changes are between objects, as well as departments, within the same fund category.

BUDGET POLICIES

Budget policies are general and specific guidelines, developed by the City Manager in consultation with the City Council, that govern financial plan preparation and administration. Departments make their budget requests on the basis of the guidelines.

CAPITAL IMPROVEMENT PLAN (CIP)

Commonly, a CIP is a five-year plan providing for the maintenance or replacement of existing public facilities and assets and for building or acquiring new ones.

CONTINGENCY

A contingency is a budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CONTRACTUAL SERVICES

Services rendered to a government by private firms, individuals, or other governmental agencies are contractual services. Examples include public safety services, recreation services, utilities, maintenance agreements, and professional consulting services.

DEBT

A state of being under obligation to pay or repay someone or something.

DEBT INSTRUMENT

Debt instruments are methods of borrowing funds, including, but not limited to, general obligation bonds, judgment obligation bonds, revenue bonds, lease/purchase agreements, lease-revenue bonds, and assessment district bonds.

DEBT SERVICE

Debt service is the payment of principal and interest on bonds and other debt instruments according to a pre-determined schedule.

DEBT SERVICE FUNDS

The debt service fund type is used to account for the payment and accumulation of resources related to general long-term debt principal and interest (see Fund).

DEFICIT

A deficit is the excess of an entity's liabilities over its assets or the excess of expenditures over revenue during a single accounting period.

DEPARTMENT

A department is a major organizational unit of the City which has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

DEPRECIATION

Depreciation is the expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy, or obsolescence.

ENTERPRISE FUNDS

The enterprise fund type is used to account for operations that are financed and operated in a manner similar to private sector enterprises and it is the intent of the City that the costs (including depreciation) of providing goods or services to the general public be financed or recovered primarily through user fees.

EXPENDITURE

An expenditure is the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure, but a commitment. An encumbrance reserves funds to be expended in future periods.

FEES

Charges for services levied by the City to recover costs associated with providing a service or permitting an activity.

FISCAL YEAR (FY)

A fiscal year is a designated twelve-month period for budgeting and record keeping purposes. The City of Sausalito's fiscal year is July 1 to June 30.

FIXED ASSETS

Assets of long-term nature such as land, buildings, roads, bridges, and related infrastructure, machinery, furniture, and other equipment are fixed assets.

FULL-TIME EQUIVALENT

The ratio of the total number of paid hours during a period (part time, full time, contracted) by the number of working hours in that period Mondays through Fridays.

FUNCTION

A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal or accomplishing a major service are functions.

FUND

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, for specific activities or government functions.

FUND BALANCE

Also known as financial position, fund balance for governmental fund types is the excess of fund assets over liabilities, and represents the cumulative effect of revenue and other financing sources over expenditures and other financing uses.

GAAP

GAAP stands for Generally Acceptable Accounting Principles. These are uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

GASB

GASB stands for Governmental Accounting Standards Board. The accounting profession's regulatory body for governmental accounting and determines what constitutes GAAP for governmental agencies.

GANN LIMIT

An absolute dollar limit on the amount of funds derived from taxes that the City can legally appropriate and expend each fiscal year, as specified by Article 13-B of the State Constitution. Any tax revenues in excess of the Gann Limit must be returned to taxpayers. The base-year used on computing the Gann Limit is FY1978-79, with adjustments to the appropriations limit allowed succeeding fiscal years for changes in population and changes in the cost of living.

GENERAL FUND

The general fund is the primary operating fund of the City. All revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund. With the exception of subvention or grant revenue restricted for specific uses, General Fund resources can be utilized for any legitimate governmental purpose.

GOAL

A goal is a statement of broad direction, purpose, or intent.

GOVERNMENTAL FUND

Government funding refers to financial assistance received by non-government entities in the form of federal, state, or local government grants, loans, loan guarantees, property, cooperative agreements, food commodities, direct appropriations, or other assistance.

GRANT

Contribution or gift of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility.

INTERFUND TRANSFER

The movement of monies between funds of the same governmental entity is an interfund transfer.

INVESTMENT REVENUE

Investment revenue is received as interest from the investment of funds not immediately required to meet cash disbursement obligations.

LINE ITEM BUDGET

A line item budget lists detailed expenditure categories (salary, materials and supplies, travel, etc.) separately, along with the amount budgeted for each specified category. The City uses a line-item detail to maintain and record for financial reporting and control purposes.

MATERIALS AND SUPPLIES

Expendable materials and operating supplies are necessary to conduct departmental operations.

MISSION STATEMENT

A mission statement provides policy guidance and direction for the highest priority objectives to be accomplished.

MODIFIED ACCRUAL BASIS OF ACCOUNTING

The modified accrual basis of accounting is used in conjunction with the current financial resources measurement focus. Revenue is recognized when they are available and measurable. Expenditures are recognized when goods and services are received.

OBJECT OF EXPENDITURE

Object of expenditure is a classification referring to the lowest and most detailed level of classification, such as electricity, office supplies, and contract services.

OPERATING BUDGET

The operating budget is the portion of the budget that pertains to daily operations providing basic governmental services. The program budgets in the financial plan form the operating budget.

OPERATIONS

Operations are a grouping of related programs within a functional area.

PERFORMANCE MEASURES (OBJECTIVES)

Performance measures are a statement of specific direction, purpose, or intent based on the needs of the community and the goals established for a specific program. Performance measures are clearly stated objectives that are measurable in quantitative terms.

PROGRAM

Programs are group activities, operations, or organizational units directed to attaining specific purposes or objectives.

RESERVE

A reserve is an account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose or designated by the City Council and is, therefore, not available for general appropriation.

RESERVE DRAW DOWN

Reserve draw down refers to the amount of fund balance required as a revenue funding source to balance fund budgets where appropriations exceed current revenue. If current revenue exceed appropriations, the fund balance will increase and be referred to a reserve improvement.

RESOLUTION

A resolution is a special or temporary order of a legislative body. It is an order of a legislative body requiring less legal formality than an ordinance or statute.

RESOURCES (SOURCES)

Resources are total amounts available for appropriation, including estimated revenue, borrowing proceeds, fund transfers, and beginning balances.

SPECIAL REVENUE FUNDS

A special revenue fund type is used to account for the proceeds from specific revenues sources (other than trusts or capital funds) that are legally restricted to expenditures for specific purposes.

STRUCTURAL BALANCE

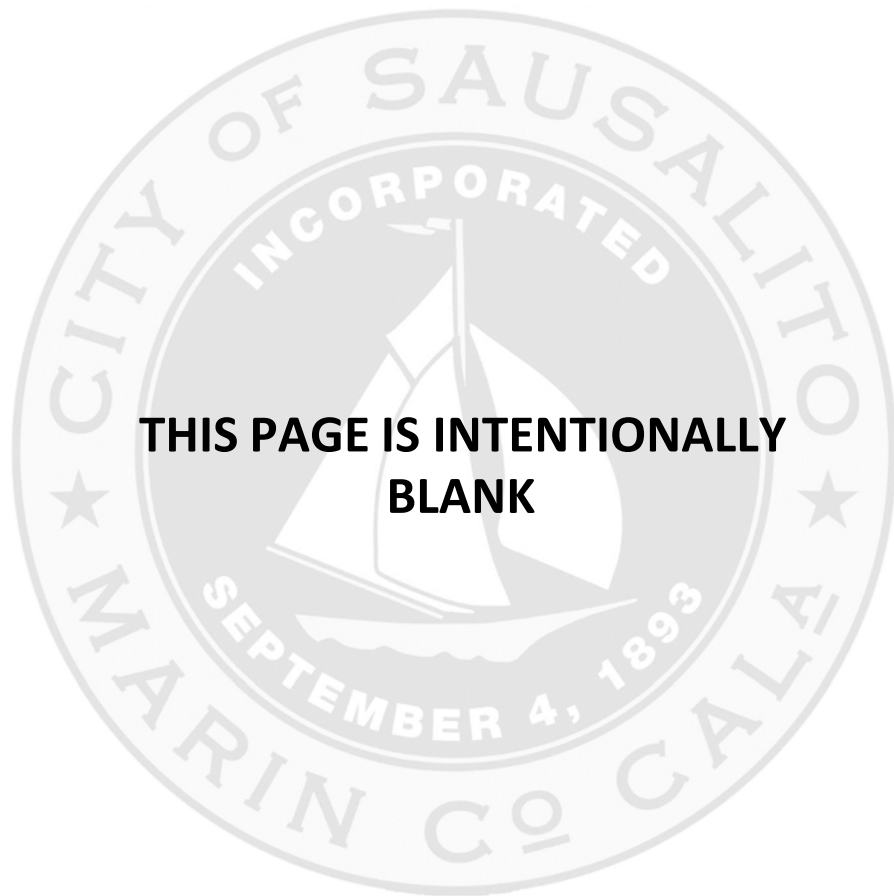
The structural or underlying fiscal balance is the difference between government revenues and expenditures corrected by the effects that could be attributed to the economic cycle and one-off events.

SUBVENTIONS

Subventions are revenue collected by the State (or other level of government) which is allocated to the City on a formula basis.

WORKING CAPITAL

Working capital, also known as financial position in private sector accounting and enterprise fund accounting in the public sector, is the excess of current assets over current liabilities.



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