



STAFF REPORT

SAUSALITO CITY COUNCIL

AGENDA TITLE:

FY 2010-2012 Budget – Initial City Council Review/Presentation

RECOMMENDED MOTION:

Move to Schedule a Public Hearing on the Budget for June 15, 2010

SUMMARY

The Fiscal Year 2010 – 2012 Budget is presented for initial review by the City Council.

DISCUSSION

Presented this evening and attached to this staff report is the proposed strategic resource allocation plan of the City of Sausalito for the 2010 - 2012 fiscal years. The two-year budget, for all funds is recommended at \$20,746,850 for FY 2011 and \$21,288,568 for FY 2012. The proposed budget meets the policy directives of the City Council and complies with state law.

The proposed budget meets all requirements of the city's various bond issues. The budget also funds approved union contracts and complies with state law requirements for funding those contracts. Reserve funds are maintained as Council directed. There are no new services being added in this budget

Although the economy has had significant impact on many cities in Marin County and in the State of California, the economic tax base for The City of Sausalito has remained relatively static. The City Council enacted prescriptive financial policies that provided a stable mixture of elastic and inelastic taxes, revenues and interfund transfers to accommodate a continuation for levels of service and an infrastructure investment plan that meets the needs and priorities of its citizens.

CITY COUNCIL FINANCE COMMITTEE RECOMMENDATION

The proposed budget was thoroughly vetted by the City Council Finance Committee. The Finance Committee proposes that the City Council adopt the FY 2010-2012 budget as presented.

General Fund

The City's General Fund is the primary funding source for the core of municipal services provided to the citizens of Sausalito. The proposed General Fund provides resources for funding the following amounts for the respective service-provider departments:

City of Sausalito							
Expenditure Summary							
Budget FY 2010-2012							
	Requested	Increase		Projected	Increase		
	Budget	(Decrease)	%	Budget	(Decrease)	%	
	2010-11	Over Prior	Change	2011-12	Over Prior	Change	
	Year Budget	Year Budget		Budget	2010-11		
Dept	General Fund				Budget		
101	Administration/Finance	1,197,901	30,388	2.6%	1,248,656	50,755	4.2%
130	Information Technology	539,123	89,697	20.0%	522,066	(17,057)	-3.2%
180	CDD - Planning	534,564	(73,992)	-12.2%	558,988	24,424	4.6%
400	CDD - Building Inspection	408,238	22,195	5.7%	416,591	8,353	2.0%
190	Non-Department	908,556	81,648	9.9%	896,460	(12,095)	-1.3%
200	Police	4,167,749	81,396	2.0%	4,228,010	60,261	1.4%
300	Fire	3,111,926	(71,837)	-2.3%	3,210,118	98,192	3.2%
410	DPW - Engineering	225,263	1,903	0.9%	234,218	8,955	4.0%
500	Public Works - Maintenance	1,250,314	(10,742)	-0.9%	1,307,952	57,638	4.6%
600	Recreation	692,607	34,043	5.2%	718,080	25,473	3.7%
690	Library	693,334	8,418	1.2%	712,589	19,254	2.8%
Total General Fund Expenditures		13,729,574	193,117	1.4%	14,053,728	324,154	2.4%
	Advance to San Carlos UAD						
	Transfer to Sewer Fund	10,000	-	0.0%	10,000	-	0.0%
	Transfer to General Capital Projects Fd	350,000	100,000	40.0%	350,000	-	0.0%
	Transfer to Disaster Assistance Fund		(100,000)				
Total General Fund Transfers Out		360,000	-	0.0%	360,000	-	0.0%
Total General Fund		14,089,574	193,117	1.4%	14,413,728	324,154	2.3%

The General Fund's budget is funded through the following fiscal resources:

City of Sausalito							
Revenue Summary							
Budget FY 2010-2012							
Fund	Description	Requested Budget 2010-11	Increase		Projected Budget 2011-12	Increase	
			(Decrease) Over Prior Year Budget	% Change		(Decrease) Over Prior Year Budget	% Change
100	General Fund						
	Total Taxes	9,178,850	66,600	0.7%	9,297,222	118,372	1.3%
	Total Franchise Fees	725,000	43,000	6.3%	725,000	-	0.0%
	Total Business License	485,000	35,000	7.8%	485,000	-	0.0%
	Total State of California Funding	147,500	-	0.0%	147,500	-	0.0%
	Total Misc Revenues	1,178,200	48,000	4.2%	1,203,200	25,000	2.1%
	Planning & Building Revenue	634,100	36,800	6.2%	634,100	-	0.0%
	Recreation Revenue	340,500	(1,500)	-0.4%	340,500	-	0.0%
	Total General Fund Revenues	12,689,150	227,900	1.8%	12,832,522	143,372	1.1%
	Parking Transfer In	1,000,000	-	0.0%	1,000,000	-	0.0%
	Sewer Transfer In	162,283	83,283	105.4%	162,283	-	0.0%
	Tidelands Transfer In	219,500	-	0.0%	219,500	-	0.0%
	Old City Hall Transfer In	100,000	(50,000)	-33.3%	100,000	-	0.0%
	MLK Loan Pmts to City	100,000	(100,000)	-50.0%	100,000	-	0.0%
	MLK Transfer in (Admin)	33,375	-	0.0%	33,375	-	0.0%
	Total Transfer In	1,615,158	(66,717)	-4.0%	1,615,158	-	0.0%
	Total General Fund Revenues						
100	and Transfers In	14,304,308	161,183	1.1%	14,447,680	143,372	1.0%

There are no salary increases budgeted for SEIU employees, managers, and confidential employees, police officer and firefighters, and the City is not proposing to take-away any benefits from the labor force

The goals of the FY 2010 - 2012 budget were to maintain services and to achieve the stated fiscal stability and sustainability objectives of the City Council. To this end, there are no reductions in service for 2010-2012.

Other Funds

The Proposed FY 2010 – 2012 Budget provides for appropriations for all the remaining City's Funds as follows:

City of Sausalito							
Expenditure Summary							
Budget FY 2010-2012							
		Requested	Increase		Projected	Increase	
		Budget	(Decrease)	%	Budget	(Decrease)	
		2010-11	Over Prior	Change	2011-12	Over Prior	
Fund	Other Fund		Year Budget			2010-11	
						Budget	
						Change	
<u>Special Revenue Fund</u>							
114	Tidelands Fund	458,664	(4,287,610)	-90.3%	916,274	457,610	99.8%
120	Traffic Safety	304,565	21,300	7.5%	52,735	(251,830)	-82.7%
121	Gas Tax	245,700	(238,300)	-49.2%	192,250	(53,450)	-21.8%
122	Construction Impact Fees	147,400	(252,600)	-63.2%	590,335	442,935	300.5%
123	Traffic Congestion Relief	142,000	74,900	111.6%	77,000	(65,000)	-45.8%
124	County Measure A	196,500	63,500	47.7%	79,500	(117,000)	-59.5%
125	Storm Drainage	159,800	(4,091,200)	-96.2%	199,800	40,000	25.0%
126	Stairs	145,000	145,000	0.0%	-	(145,000)	-100.0%
127	Prop 1B	6,000	(394,000)	-98.5%	-	(6,000)	-100.0%
136	Recreation Grant	25,000	(30,000)	-54.5%	-	(25,000)	-100.0%
<u>Debt Service Fund</u>							
301	Energy Loan	3,173	-	0.0%	3,173	-	0.0%
302	Tideland Loan	72,155	-	0.0%	72,155	-	0.0%
303	2006 General Obligation Bonds	480,645	24,250	5.3%	508,270	27,625	5.7%
304	Vehicle Code Fines Overpayment	54,565	-	0.0%	22,735	(31,830)	-58.3%
<u>Capital Projects Fund</u>							
115	Library Capital Improvement	-	(87,500)	0.0%	-	-	0.0%
140	General Capital Projects	2,413,100	(9,034,000)	0.0%	2,017,485	(395,615)	-16.4%
<u>Enterprise Fund</u>							
110	Sewer	2,769,580	115,119	4.3%	2,631,863	(137,716)	-5.0%
113	Old City Hall	279,110	(75,000)	-21.2%	279,110	-	0.0%
210	MLK Rental Property	1,453,281	(23,087)	-1.6%	1,475,143	21,862	1.5%
220	Parking	1,939,852	163,518	9.2%	1,523,489	(416,363)	-21.5%
<u>Internal Service Fund</u>							
240	Vehicle Replacement	119,965	(407,225)	0.0%	186,965	67,000	55.8%
250	Workers' Compensation	320,744	10,063	3.2%	332,640	11,897	3.7%
260	Employee Benefits	-	-	0.0%	-	-	0.0%
Total Other Funds		11,736,799	(18,302,871)	-60.9%	11,160,923	(575,876)	-4.9%

The following table reflects the available City resources for the above noted appropriations of the other City Funds:

City of Sausalito							
Revenue Summary							
Budget FY 2010-2012							
Fund	Description	Requested Budget 2010-11	Increase (Decrease) Over Prior Year Budget	% Change	Projected Budget 2011-12	Increase (Decrease) Over Prior Year Budget	% Change
Other Funds							
<u>Special Revenue Funds</u>							
114	Tidelands Fund	696,857	(4,189,259)	-85.7%	708,582	11,725	1.7%
120	Traffic Safety	46,000	(30,000)	-39.5%	46,000	-	0.0%
121	Gas Tax	132,000	(29,500)	-18.3%	132,000	-	0.0%
122	Construction Impact Fees	100,000	(10,000)	-9.1%	100,000	-	0.0%
123	Traffic Congestion Relief	72,000	734	1.0%	72,000	-	0.0%
124	County Measure A	65,500	(145,000)	-68.9%	65,500	-	0.0%
125	Storm Drainage	71,000	(4,100,250)	-98.3%	71,000	-	0.0%
126	Stairs	-	-	0.0%	-	-	0.0%
127	Prop 1B	-	-	0.0%	-	-	0.0%
136	Recreation Grant	25,000	(30,000)	-54.5%	-	(25,000)	-100.0%
<u>Debt Service Funds</u>							
301	Energy Loan	3,173	-	0.0%	3,173	-	0.0%
302	Tidelands Loan	72,155	0	0.0%	72,155	-	0.0%
303	2006 General Obligation Bonds	484,718	24,194	5.3%	512,343	27,625	5.7%
304	Vehicle Code Fines Overpayment	54,565	0	0.0%	22,735	(31,830)	-58.3%
<u>Capital Projects Funds</u>							
115	Library Capital Improvement	3,000	-	0.0%	3,000	-	0.0%
140	General Capital Projects	2,909,600	(8,202,900)	-73.8%	1,996,085	(913,515)	-31.4%
<u>Enterprise Funds</u>							
110	Sewer	2,240,246	804,246	56.0%	2,380,163	139,917	6.2%
113	Old City Hall	231,500	9,000	4.0%	256,500	25,000	10.8%
210	MLK Rental Property	1,145,000	500	0.0%	1,145,000	-	0.0%
220	Parking	1,485,876	(164,849)	-10.0%	1,485,876	-	0.0%
<u>Internal Service Funds</u>							
240	Vehicle Replacement	231,420	(86,799)	-27.3%	229,781	(1,639)	-0.7%
250	Worker's Comp	325,744	(4,937)	-1.5%	337,640	11,897	3.7%
260	Employee Benefits	68,006	(11,665)	-14.6%	73,660	5,655	8.3%
Total Other Funds		10,463,360	(16,166,483)	-60.7%	9,713,195	(750,165)	-7.2%

Capital Projects Fund

The Capital Projects Fund has been expanded to include a 5-year funding plan:

General Capital Projects Fund Fund 140

Project Description	Adopted Budget 2009-10	Adjustments 2009-10	URGENT		TIMELY			DEFER	TOTAL \$ 2009-10 thru 2014-15 Total
			Amended Budget 2009-10	Projected Budget 2010-11	Projected Budget 2011-12	Projected Budget 2012-13	Projected Budget 2013-14	Projected Budget 2014-15	
Traffic/Transportation Projects									
Street Repair Program	990,000		980,000	344,500	354,835	365,480	376,444	387,738	2,808,997
Roadway Base Repair/Patching Program	141,000		141,000	100,000	103,000	106,090	109,273	112,551	671,914
Glen Drive Guardrail	40,000		40,000						40,000
ADA Push Buttons	20,000		20,000	20,000	20,000	20,000	20,000	20,000	120,000
Striping Maintenance (Contract)	76,700		76,700	47,700	28,250	28,250	28,250	28,250	237,400
Bus Shelter - Ebb Tide	6,000		6,000						6,000
Bus Shelter - Nevada	30,000		30,000						30,000
Regrade Hecht Ave.				47,400					47,400
Traffic Signal Upgrades				250,000	250,000				500,000
	1,293,700	-	1,293,700	809,600	756,085	519,820	533,967	548,539	4,461,711
Storm Drains									
Priority Stormwater Project Marinship	4,100,000		4,100,000	20,000	20,000	250,000	250,000		4,640,000
Catch Basin Repair to replace inlet grates	7,000		7,000		10,000	10,000	10,000	10,000	47,000
SD Improv 600 Blk Saus Blvd/Sagahalie Ln/Spring				130,000					130,000
Storm Drain Replacement 349 Sausalito Blvd.	8,200		8,200						8,200
Storm Drain Replacement (in ROW)	106,000		106,000		150,000	150,000	150,000	150,000	706,000
	4,221,200	-	4,221,200	150,000	180,000	410,000	410,000	160,000	5,531,200
Buildings & Waterfront Projects									
City Hall/Library Bathrooms (Phase 1)	71,500		71,500	68,500					130,000
City Hall ADA Improvements	40,000		40,000						40,000
City Hall Doors/Security Upgrades	36,000		36,000						36,000
City Hall Windows Replacement	130,000		130,000						130,000
City Hall Elevator Upgrades					150,000				150,000
City Hall VOIP Telephone system, Switch, rewiring	158,200		158,200						158,200
Repave Corporation Yard				60,000					60,000
Bulkhead Repair Bay Street SYH	4,200,000		4,200,000						4,200,000
Fishing Pier Repair				10,000	90,000				100,000
City Hall Parking Lot Repave					71,400				71,400
Turney Boat Ramp Dredge				20,000	250,000				270,000
Restoration/Mitigation Shoreline				20,000	250,000				270,000
Shoreline Rip Rap Placement	150,000	(130,000)	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Recreation Dept Ceiling tile Replacement	25,000		25,000						25,000
	4,810,700	(130,000)	4,680,700	188,500	831,400	20,000	20,000	20,000	5,760,600
Parks and Recreation Projects									
Harrison Park Playgrnd/Landscape (Const)	15,000		15,000	55,000					70,000
Yee Tock Chee ADA & Beautification	25,000		25,000	25,000					50,000
Gabrielson Park Electrical Service				20,000					20,000
Vina Del Mar/Lot 2 Bathroom ADA Imp.	190,000		190,000	570,000					760,000
Small Park Improvements	40,000		40,000						40,000
Robin Sweeney Playground	50,000		50,000	280,000					330,000
Southview Park Foundations/Retaining Walls				25,000	150,000				175,000
Parks Capital Projects Planning	76,400		76,400						76,400
	396,400	-	396,400	975,000	150,000	-	-	-	1,521,400
Pedestrian and Bicycle Projects									
Bridgeway to Ferry NMTPP Improvements	247,000		247,000						247,000
North South Greenway Planning	95,000		95,000						95,000
Sausalito Steps, Lanes, and Paths (NMTPP)	310,000		310,000						310,000
ADA Public R.O.W. Improvements	166,000		166,000	50,000	50,000	50,000	50,000	50,000	416,000
Sidewalk Repair Program	37,100		37,100	50,000	50,000	50,000	50,000	50,000	287,100
Stair Program (South St, Locust, etc.)				140,000	100,000				240,000
	855,100	-	855,100	240,000	100,000	200,000	100,000	100,000	1,595,100
Project Studies and Grants									
Long Range Financial Plan w Executive Dashboard				50,000					50,000
				50,000					50,000
Grand Totals	11,577,100	(130,000)	11,447,100	2,413,100	2,017,485	1,149,820	1,063,967	828,539	18,920,011

SUMMARY

The proposed budget addresses items on the priority calendar, goals and objectives of the strategic plan and the budget policies of the City Council. The proposed FY 2010-2012 budget reflects the City's management policy of "back to the basics", and further reflects staff's approach to thinking creatively in applying "What If? Why Not?" methodologies. Staff

and management are committed to executing the financial, operational policies that this document represents to continue Sausalito's legacy as a premier residential and destination tourist community in California.

NEXT STEPS AND RECOMMENDATIONS

The City Council has scheduled a workshop for June 8, 2010 to review the FY 2010-2012 budget and to review the 5 year Capital Improvement Plan details of the budget. By motion action tonight, staff and the City Council Finance Committee is recommending that the City Council has schedule a Public Hearing for the FY 2010-2012 budget on its regularly scheduled City Council meeting date of June 15, 2010. Finally, the budget is proposed to be adopted in a special meeting of the City Council on June 29, 2010. This allows the City Council and the public to thoroughly review, amend and adopt the FY 2010-2012 proposed budget.

ATTACHMENTS

City of Sausalito, Strategic Resource Allocation Plan, FY 2010 - 2012

PREPARED BY:

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REVIEWED BY:

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City Attorney

SUBMITTED BY:



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City Manager