

**RESOLUTION NO. 6401-2022**

**A RESOLUTION OF THE SEBASTOPOL CITY COUNCIL APPROVING ADJUSTMENTS TO THE BUDGET OF FISCAL YEAR 2021-22**

**WHEREAS**, the City of Sebastopol City Council did, on July 20, 2021, adopt the budget for fiscal year 2021-22; and

**WHEREAS**, the City of Sebastopol has experienced various adjustments to changing conditions continues due to COVID-19 since the budget was adopted and needs to amend the budget to reflect these adjustments.

**WHEREAS**, the adjusted FY 2021-22 budget includes uses of this ARPA one-time funding to enable the City to continue to maintain current levels of service. Funds can be used to backfill for revenue loss and expenses incurred due to COVID-19 and to make investments in broadband and storm drain infrastructure. Funds must be allocated by December 31, 2024 and expended by December 31, 2026. If the funds are not spent by the said deadline, the City will need to return the funds.

**WHEREAS**, Sebastopol received the first disbursement of \$917,892 in July 2021 and the amended budget earmarked expenditures of ARPA funds for the following:

<b>Item</b>	<b>Description</b>		<b>Amount</b>
1	General Fund Revenue Loss Through December 2020		\$ 171,000
2	COVID Expenses (year to date)		\$ 385,000
	Labor	\$ 133,000	
	Materials & Services	\$ 252,000	
3	Business Economic Development - Co-Mission		\$ 155,000
4	Relaunch Sebastopol Consulting Service		\$ 86,000
5	Homeless Case Manager		\$ 72,000
6	Storm Drain Maintenance		\$ 94,000
7	Calder Creek Storm Drain & Outfall Maintenance (CIP 0701-34)		\$ 75,000
	<b>Total Allocated Expenses</b>		<b>\$1,038,000</b>

**THEREFORE, BE IT RESOLVED**, that the City Council of the City of Sebastopol adopts the following changes to the operating budgets for 2021-22:



## CONSOLIDATED GENERAL FUND FINANCIAL SCHEDULE

Description	2019-20 Actual	2020-21 Actual	2020-21 Adjusted Budget	2021-22 Adopted Budget	2021-22 Adjusted Budget	\$ Inc/(Dec)	% Change
<b>OPERATING REVENUE</b>							
Property Taxes	\$2,781,985	\$2,770,952	\$2,733,000	\$2,780,700	\$3,070,534	\$ 289,834	10.4%
Real Property Transfer	38,066	79,547	39,000	41,000	50,000	9,000	22.0%
Sales Tax	3,697,725	4,362,811	3,765,000	3,977,500	4,547,000	569,500	14.3%
Use Tax	763,643	795,113	744,600	742,600	755,700	13,100	1.8%
Transient Occupancy Tax	518,175	402,255	400,000	400,000	400,000	-	0.0%
Franchise Fees	336,738	363,167	335,500	335,500	355,000	19,500	5.8%
Licenses and Permits	449,875	498,475	292,900	292,900	347,900	55,000	18.8%
Fines & Forfeitures	48,171	30,439	46,500	35,000	30,000	(5,000)	-14.3%
Intergovernmental	1,729,540	503,343	166,700	938,950	1,018,350	79,400	8.5%
Interest and Rents	237,347	8,173	200,500	170,500	68,500	(102,000)	-59.8%
Charges for Current Services	179,196	176,848	128,600	128,600	122,600	(6,000)	-4.7%
Miscellaneous/Other Income	555,280	299,831	262,625	60,000	60,000	-	0.0%
<b>TOTAL</b>	<b>11,335,741</b>	<b>10,290,954</b>	<b>9,114,925</b>	<b>9,903,250</b>	<b>10,825,584</b>	<b>922,334</b>	<b>9.3%</b>
<b>OPERATING EXPENDITURE</b>							
City Council	\$226,256	\$226,795	\$257,729	\$290,990	\$285,070	\$ (5,920)	-2.0%
City Manager	258,082	353,044	324,758	366,894	431,694	64,800	17.7%
City Attorney	153,522	153,522	142,623	146,050	238,050	92,000	63.0%
Assistant City Manager   City Clerk	285,483	285,483	321,978	313,791	346,142	32,351	10.3%
Administrative Services (Finance)	180,045	180,045	268,756	306,073	342,073	36,000	11.8%
Planning	467,783	467,783	536,505	588,574	588,574	-	0.0%
Building	239,296	239,296	227,347	197,510	197,510	-	0.0%
Police	4,831,685	4,831,685	5,158,415	5,112,900	5,167,900	55,000	1.1%
Fire	965,223	965,223	1,126,880	1,265,369	1,265,369	-	0.0%
Public Works	1,336,565	1,336,565	1,358,254	1,284,027	1,335,477	51,450	4.0%
Engineering / Storm Water	193,153	193,153	266,346	279,846	302,646	22,800	8.1%
Sr. Cntr/SCCC / Ives Pool	568,624	568,624	525,555	487,850	584,420	96,570	19.8%
Non Departmental	241,064	241,065	206,394	230,699	235,619	4,920	2.1%
<b>TOTAL</b>	<b>9,946,781</b>	<b>10,042,283</b>	<b>10,721,540</b>	<b>10,870,571</b>	<b>11,320,542</b>	<b>449,971</b>	<b>4.1%</b>
<b>OTHER SOURCES/(USES)</b>							
Debt Service	204,670	204,670	204,790	175,112	175,112	-	0.0%
Other Sources - Insurance Reimbursement	-	819,000 <sup>b</sup>	1,200,000 <sup>a</sup>	-	251,250	251,250	0.0%
<b>TOTAL</b>	<b>204,670</b>	<b>1,023,670</b>	<b>1,404,790</b>	<b>175,112</b>	<b>76,138</b>	<b>251,250</b>	<b>143.5%</b>
<b>TRANSFERS IN/(OUT)</b>							
Transfers In	4,493	107,373	102,000	211,000	211,000	-	0.0%
Transfers Out	(2,154,774)	(113,152)	(190,000)	(121,000)	(121,000)	-	0.0%
<b>TOTAL</b>	<b>(2,150,281)</b>	<b>(5,779)</b>	<b>(88,000)</b>	<b>90,000</b>	<b>90,000</b>	<b>-</b>	<b>0.0%</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>12,306,225</b>	<b>11,179,105</b>	<b>12,316,330</b>	<b>11,166,683</b>	<b>11,616,654</b>	<b>449,971</b>	<b>4.0%</b>
Net General Fund Surplus/(Deficit)	(965,991)	(780,778)	(3,099,405)	(1,052,433)	(328,820)		
Beginning Unassigned Fund Balance	4,993,434	4,027,443	3,246,665	3,246,665	3,246,665		
Ending Unassigned Fund Balance	4,027,443	3,246,665	147,260	2,194,232	2,917,845		
<b>RESERVE</b>							
<b>Policy Reserve Level (Minimum-15%)</b>	<b>1,845,934</b>	<b>1,676,866</b>	<b>1,847,449</b>	<b>1,675,002</b>	<b>1,742,498</b>		
<b>Actual Reserve Level</b>	<b>32.7%</b>	<b>29.0%</b>	<b>1.2%</b>	<b>19.6%</b>	<b>25.1%</b>		

<sup>a</sup> \$1.2M in budget expense due to April 2021 cyber theft

<sup>b</sup> This actual calculation allocates the loss across the general fund, water, and wastewater funds based on their respective share of cash balances. Recoveries during FY 21-22 will be allocated back to the funds based on their respective percentages shared

<sup>c</sup> \$375,000 year to date recovery funds through insurance reimbursement. As mentioned above in item#2, recovery is allocated back to funds based on their respective percentages shared

# WATER FUND - COMBINED FINANCIAL REPORTING



DESCRIPTION	2019-20 Actuals	2020-21 Actuals	2020-21 Adjusted Budget	2021-22 Adopted Budget	2021-22 Adjusted Budget	\$ Inc(Dec)	% Change
<b>OPERATING REVENUE</b>							
Charges for Services							
Residential	1,777,550	\$ 1,885,097	\$ 1,812,800	\$ 1,867,180	\$ 1,867,180	\$ -	0.00%
Commercial	492,000	504,700	482,040	496,500	496,500	-	0.00%
Other Income	23,312	138,672	37,000	37,000	226,250	189,250	511.49%
Interest Earnings	47,748	15,105	14,000	14,000	14,000	-	0.00%
<b>TOTAL</b>	<b>\$ 2,340,610</b>	<b>\$ 2,543,574</b>	<b>\$ 2,345,840</b>	<b>\$ 2,414,680</b>	<b>\$ 2,603,930</b>	<b>\$ 189,250</b>	<b>7.84%</b>
<b>OPERATING EXPENDITURES</b>							
Salaries & Benefits	\$ 535,807	\$ 447,255	\$ 396,750	\$ 425,500	\$ 425,500	\$ -	0.00%
Contracted Services	117,826	72,395	185,850	170,500	170,500	-	0.00%
Services & Supplies	136,154	297,596	198,125	176,600	176,600	-	0.00%
Training / Meetings / Travels	3,868	1,927	9,000	8,000	8,000	-	0.00%
Telecommunicatons	6,077	6,171	8,900	9,000	9,000	-	0.00%
Utilites	193,363	216,582	254,300	268,700	268,700	-	0.00%
Allocated Insurance	62,620	65,145	65,375	77,600	77,600	-	0.00%
Capital Outlay	102,454	23,658	107,000	26,700	26,700	-	0.00%
Debt Service	304,824	148,564	291,984	212,220	212,220	-	0.00%
Other Sources (Uses)	-	222,735	-	-	-	-	0.00%
<b>TOTAL</b>	<b>1,462,993</b>	<b>1,502,028</b>	<b>1,517,284</b>	<b>1,374,820</b>	<b>1,374,820</b>	<b>-</b>	<b>0.00%</b>
<b>OTHER SOURCES/(USES)</b>							
G & A Allocation - City Council	\$ 27,803	\$ 32,238	\$ 34,253	\$ 37,669	\$ 36,709	\$ (960)	-2.55%
G & A Allocation - City Manager	46,244	47,399	48,586	50,798	52,398	1,600	3.15%
G & A Allocation - City Attorney	7,466	7,752	7,751	7,938	12,938	5,000	62.99%
G & A Allocation - City Clerk	26,606	25,941	28,374	28,874	31,919	3,045	10.54%
G & A Allocation - Finance	387,540	364,938	401,670	456,110	510,830	54,720	12.00%
G & A Allocation - Planning	22,711	25,598	27,975	31,798	31,798	-	0.00%
G & A Allocation - Building	41,417	35,492	39,237	33,995	33,995	-	0.00%
G & A Allocation - Engineering	112,678	117,390	137,562	122,128	142,528	20,400	16.70%
G & A Allocation - Fire	71,070	77,768	80,214	84,382	84,382	-	0.00%
G & A Allocation - PW Corp Yard	231,432	224,615	243,780	240,852	267,252	26,400	10.96%
G & A Allocation - PW Govt Bldg	30,894	38,795	42,625	39,938	39,938	-	0.00%
G & A Allocation - Non Departmental	24,718	22,652	22,653	25,321	25,861	540	2.13%
<b>TOTAL</b>	<b>1,030,579</b>	<b>1,020,578</b>	<b>1,114,681</b>	<b>1,159,801</b>	<b>1,270,546</b>	<b>110,745</b>	<b>9.55%</b>
<b>TRANSFERS IN/(OUT)</b>							
Transfers In		\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Transfers Out	-	-	\$ (157,350)	\$ (330,500)	\$ (330,500)	\$ -	0.00%
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (157,350)</b>	<b>\$ (330,500)</b>	<b>\$ (330,500)</b>	<b>\$ -</b>	<b>0.00%</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>2,493,572</b>	<b>2,522,606</b>	<b>2,789,315</b>	<b>2,865,121</b>	<b>2,975,866</b>	<b>\$ 110,745</b>	<b>3.87%</b>
Net Surplus/(Deficit)	(152,962)	20,968	(443,475)	(450,441)	(371,936)		
Beginning Unrestricted Net Position	2,239,409	2,239,409	2,260,377	2,260,377	2,260,377		
Ending Unrestricted Net Position	<b>\$ 2,086,447</b>	<b>\$ 2,260,377</b>	<b>\$ 1,816,902</b>	<b>\$ 1,809,936</b>	<b>\$ 1,888,441</b>		
<b>RESERVE</b>							
Policy Reserve Level (25%)	623,393	630,652	697,329	716,280	743,966		
Actual Reserve Level	84%	90%	65%	63%	63%		

# WASTEWATER FUND - COMBINED FINANCIAL REPORTING



DESCRIPTION	2019-20 Actuals	2020-21 Actuals	2020-21 Adjusted Budget	2021-22 Adopted Budget	2021-22 Adjusted Budget	\$ Inc/(Dec)	% Change
<b>OPERATING REVENUE</b>							
Charges for Services	\$ 2,874,449	\$ 2,870,250	\$ 3,165,750	\$ 3,260,723	\$ 3,260,723	\$ -	0.00%
Other Income	13,011	19,217	13,000	13,000	135,500	122,500	942.31%
Interest Earnings	39,376	9,446	10,000	6,000	6,000	-	0.00%
<b>TOTAL</b>	<b>\$ 2,926,836</b>	<b>\$ 2,898,913</b>	<b>\$ 3,188,750</b>	<b>\$ 3,279,723</b>	<b>\$ 3,402,223</b>	<b>122,500</b>	<b>3.74%</b>
<b>OPERATING EXPENSES</b>							
Salaries & Benefits	\$ 375,722	\$ 307,020	\$ 296,700	\$ 398,850	\$ 398,850	\$ -	0.00%
Contracted Services	75,139	70,061	195,700	86,700	86,700	-	0.00%
Subregional Expense	1,621,200	1,650,400	1,650,400	1,650,780	1,650,780	-	0.00%
Services & Supplies	63,195	66,321	132,475	109,300	109,300	-	0.00%
Training / Meetings / Travels	6,910	3,717	12,000	9,500	9,500	-	0.00%
Telecommunicatiions	2,576	1,930	4,000	3,500	3,500	-	0.00%
Utilites	40,159	43,630	59,700	59,700	59,700	-	0.00%
Allocated Insurance	35,850	38,264	38,285	50,900	50,900	-	0.00%
Capital Outlay	41,471	99,764	28,000	38,750	46,500	7,750	20.00%
Debt Service	89,132	96,423	91,107	72,781	72,781	-	0.00%
Other Sources (Uses)	-	158,226	-	-	-	-	0.00%
<b>TOTAL</b>	<b>2,351,354</b>	<b>2,535,756</b>	<b>2,508,367</b>	<b>2,480,761</b>	<b>2,488,511</b>	<b>7,750</b>	<b>0.31%</b>
<b>OTHER SOURCES/(USES)</b>							
G & A Allocation - City Council	\$ 32,437	\$ 37,614	\$ 39,962	\$ 43,947	\$ 43,947	\$ -	0.00%
G & A Allocation - City Manager	46,244	47,399	48,586	50,798	52,398	1,600	3.15%
G & A Allocation - City Attorney	4,478	4,652	4,651	4,763	7,763	3,000	62.99%
G & A Allocation - City Clerk	23,280	22,696	24,828	25,265	27,929	2,664	10.54%
G & A Allocation - Finance	388,100	364,802	391,099	444,107	497,387	53,280	12.00%
G & A Allocation - Planning	13,627	15,357	16,785	19,079	19,079	-	0.00%
G & A Allocation - Building	41,417	35,492	39,237	33,995	33,995	-	0.00%
G & A Allocation - Engineering	92,792	96,673	113,287	100,576	117,376	16,800	16.70%
G & A Allocation - PW Corp Yard	168,752	163,781	177,756	175,621	194,871	19,250	10.96%
G & A Allocation - PW Govt Bldg	30,894	38,795	42,625	39,938	39,938	-	0.00%
G & A Allocation - Non Departmental	24,718	22,652	22,653	25,321	25,861	540	2.13%
<b>TOTAL</b>	<b>\$ 866,739</b>	<b>\$ 849,913</b>	<b>\$ 921,468</b>	<b>\$ 963,408</b>	<b>\$ 1,060,543</b>	<b>\$ 97,134</b>	<b>0.00%</b>
<b>TRANSFERS IN/(OUT)</b>							
Transfers In		\$ -	\$ 80,000	\$ -	\$ -	\$ -	0.00%
Transfers Out	(206,995)	-	(18,000)	(507,800)	(507,800)	-	0.00%
<b>TOTAL</b>	<b>\$ (206,995)</b>	<b>\$ -</b>	<b>\$ 62,000</b>	<b>\$ (507,800)</b>	<b>\$ (507,800)</b>	<b>-</b>	<b>0.00%</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 3,425,088</b>	<b>\$ 3,385,669</b>	<b>\$ 3,367,836</b>	<b>\$ 3,951,969</b>	<b>\$ 4,056,853</b>		
Net Surplus/(Deficit)	(498,252)	(486,756)	(179,086)	(672,247)	(654,631)		
Beginning Unrestricted Net Position	1,891,464	1,393,212	906,456	906,456	906,456		
Ending Unrestricted Net Position	<b>1,393,212</b>	<b>906,456</b>	<b>727,370</b>	<b>234,209</b>	<b>251,825</b>		
<b>RESERVE</b>							
Policy Reserve Level (25%)	\$ 856,272	\$ 846,417	\$ 841,959	\$ 987,992	\$ 1,014,213		
Actual Reserve Level	41%	27%	22%	6%	6%		

PASSED AND ADOPTED, by the CITY COUNCIL of THE CITY OF SEBASTOPOL, COUNTY OF SONOMA, of STATE OF CALIFORNIA on this 1<sup>st</sup> day of February 2022.

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by City of Sebastopol City Council following a roll call vote:

**VOTE:**

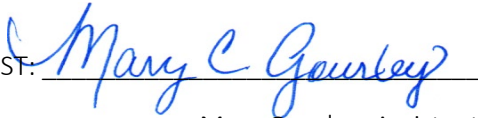
Ayes: Councilmembers Glass, Gurney, Rich, Vice Mayor Hinton and Mayor Slayter  
Noes: None  
Absent: None  
Abstain: None

APPROVED:



Mayor Patrick Slayter

ATTEST:



Mary Gourley, Assistant City Manager/City Clerk, MMC



Larry McLaughlin, City Attorney