

RESOLUTION NO. 6512-2023

A RESOLUTION OF THE SEBASTOPOL CITY COUNCIL APPROVING ADJUSTMENTS TO THE BUDGET OF FISCAL YEAR 2022-23

WHEREAS, the City of Sebastopol City Council did, on July 5, 2022, adopt the budget for fiscal year 2022-23; and

WHEREAS, in an effort to provide benefits of budget transparency, these meetings are open to the public. As a Standing Committee, these Committee meetings are agendized in accordance with the Brown Act and allow the opportunity for the community to attend these meetings and provide input into the budget process; and

WHEREAS, the City understands that open and transparent budget process fosters trust in the community and clarity about the use of public funds, which is necessary to support better fiscal outcomes and accountabilities; and

WHEREAS, the Budget Committee conducted publicly noticed meetings with department heads, and has reviewed and revised the mid-year revenue projections for the general fund, water and sewer enterprise funds, as well as for the most significant revenue categories, and now recommends adjustments accordingly; and

WHEREAS, during the mid-year budget review, City staff discussed the much anticipated City-wide staffing study where City engaged Regional Government Services (RGS) to conduct an assessment and provide recommendations regarding the City's staffing structure; and

WHEREAS, the staffing study report identified recommendations for additional positions to aid and assist in managing increased work demands for all Departments. City Management also met and conferred in good faith with Service Employees International Union, Local 1021 and the Sebastopol Police Officers' Association regarding the impacts of study recommendations on employees within their bargaining units. No adverse comments were received from the unions during these meetings, and all acknowledged their support for the additional staff recommended in the report; and

WHEREAS, the Budget Committee requests the City Council to consider the following 3 actions:

1. Approve a change in current Junior Accountant position to be retitled to Accountant
2. Approve the new job classification of Permit Technician, and this would eliminate the current half time Administrative Assistant position
3. Approve the new job classification of Planning Technician, and this would eliminate the current full time Senior Administrative Assistant position

WHEREAS, the City of Sebastopol has experienced various adjustments to changing conditions since the budget was adopted and needs to amend the budget to reflect these adjustments; and

THEREFORE, BE IT RESOLVED, that the City Council of the City of Sebastopol adopts the following changes to the operating budgets for 2022-23:

GENERAL FUND CONSOLIDATION

	2020-2021 Actuals	2021-2022 Actuals	2022-23 Adopted Budget	2022-23 Proposed Adjustment	\$ Inc/(Dec)	% Change
REVENUES:						
Property Tax	2,770,982	3,142,858	3,093,610	3,178,200	84,590	2.7%
Real Property Transfer Tax	79,547	59,493	60,000	45,000	(15,000)	-25.0%
Other Sales Taxes	4,454,671	4,816,172	5,073,300	4,907,900	(165,400)	-3.3%
User Taxes	703,252	742,775	701,700	737,200	35,500	5.1%
Transient Occupancy Tax	402,255	504,292	400,000	450,000	50,000	12.5%
Franchise Fees	363,167	405,507	370,000	370,000	-	0.0%
Licenses & Permits	482,100	427,814	335,000	640,100	305,100	91.1%
Fines & Special Assessments	50,607	50,044	27,900	34,100	6,200	22.2%
Intergovernmental Revenues	499,549	307,668	934,650	938,950	4,300	0.5%
Interest & Rents	11,450	(28,460)	71,800	68,500	(3,300)	-4.6%
Charges for Services	173,573	169,392	121,600	134,900	13,300	10.9%
Miscellaneous Revenue	321,004	725,010	77,000	525,000	448,000	581.8%
Other Financing Sources	278,022	1,126,307	-	-	-	0.0%
Total	10,590,178	12,448,873	11,266,560	12,029,850	763,290	6.8%
EXPENDITURES:						
10 - City Council	213,156	323,555	482,479	482,479	-	0.0%
11 - City Manager	331,630	236,807	229,306	229,306	-	0.0%
12 - City Attorney	152,926	354,650	222,479	300,679	78,200	35.1%
13 - Assistant City Manager City Clerk	285,487	311,507	392,055	399,493	7,438	1.9%
14 - Administrative Services (Finance)	219,681	309,429	339,720	345,345	5,625	1.7%
21 - Planning	494,464	518,688	604,886	604,886	-	0.0%
22 - Building	206,486	188,060	182,792	182,792	-	0.0%
23 - Engineering Storm Water	255,089	324,245	318,134	335,134	17,000 ¹	5.3%
31 - Fire & Prevention	1,102,502	1,077,526	1,331,505	1,385,080	53,575 ²	4.0%
32 - Police	5,308,825	4,968,998	5,804,860	5,957,860	153,000	2.6%
40 - Senior Center	71,765	56,862	78,050	78,050	-	0.0%
41 - Public Works	1,159,487	1,179,759	1,395,881	1,468,856	72,975	5.2%
42 - PW-Community Center	199,552	287,025	286,950	346,250	59,300	20.7%
43 - PW-Ives Pool	128,566	195,947	148,425	153,925	5,500	3.7%
00 - Non Departmental	1,447,537	207,170	282,162	289,542	7,380	2.6%
Total	11,577,151	10,540,229	12,099,684	12,559,677	459,993	3.8%
OTHER SOURCES/(USES)						
Debt Service Payments	464,313	142,646	261,802	261,802	-	0.0%
Miscellaneous Revenue	13,050	596,087	-	-	-	0.0%
Total	477,363	738,733	261,802	261,802	-	0.0%
TRANSFERS IN/(OUT)						
Transfers In	107,373	116,000	102,500	102,500	-	0.0%
Transfers Out	(98,247)	(386,427)	(160,000)	(160,000)	-	0.0%
Total	9,127	(270,427)	(57,500)	(57,500)	-	0.0%
TOTAL OPERATING EXPENDITURES	12,152,761	11,665,388	12,521,486	12,981,479		
Net General Fund Surplus (Deficit)	(1,455,209)	899,485	(1,152,426)	(849,129)		
Beginning Unassigned Fund Balance	4,152,857	2,697,648	3,450,551	3,450,551		
Ending Unassigned Fund Balance	2,697,648	3,597,133	2,298,125	2,601,422		
RESERVE						
Policy Reserve Level (Minimum-15%)	1,822,914	1,749,808	1,878,223	1,947,222		
Actual Reserve Level	22.2%	30.8%	18.4%	20.0%		

¹ Resolution 6467-2022 approved for \$17,000 on 8.2.22 for Traffic Engineering services

² Resolution 6468-2022 approved for an additional \$7,500 on 8.2.22 for Fire Study

WATER FUND CONSOLIDATION

	2020-2021 Actuals	2021-2022 Actuals	2022-23 Adopted Budget	2022-23 Proposed Adjustment	\$ Inc/(Dec)	% Change
REVENUES:						
Charges for Services	2,523,899	2,280,322	2,445,954	2,445,954	-	0.0%
Interest Income	15,105	75,185	10,000	10,000	-	0.0%
Miscellaneous Revenue	4,970	224,954	-	-	-	0.0%
Total	2,543,974	2,580,461	2,455,954	2,455,954	-	0.0%
EXPENDITURES:						
Salary & Wages	278,465	271,001	360,500	360,500	-	0.0%
Benefits	168,790	224,574	161,400	161,400	-	0.0%
Contracted Services	72,395	102,165	251,400	411,400	160,000	63.6%
Services & Supplies	264,868	181,868	158,400	158,400	-	0.0%
Special Program	16,788	13,199	24,400	24,400	-	0.0%
Equipment (under \$10K)	15,338	-	-	-	-	0.0%
Vehicle Expense	602	-	-	-	-	0.0%
Conference & Training Expense	1,927	1,235	9,000	9,000	-	0.0%
Utilities	216,582	215,389	282,200	282,200	-	0.0%
Telcommunications	6,171	5,173	9,250	9,250	-	0.0%
Allocated Insurance	65,145	76,545	91,800	91,800	-	0.0%
Capital Outlay	23,658	21,546	113,500	113,500	-	0.0%
Total	1,130,729	1,112,695	1,461,850	1,621,850	160,000	10.9%
OTHER SOURCES (USES)						
10 - City Council	32,238	31,121	33,110	33,110	-	0.0%
11 - City Manager	47,399	52,400	57,502	57,502	-	0.0%
12 - City Attorney	7,752	12,938	12,091	16,341	4,250	35.2%
13 - Assistant City Manager City Clerk	25,941	28,876	33,624	34,324	700	2.1%
14 - Administrative Services (Finance)	364,802	488,914	509,078	517,628	8,550	1.7%
21 - Planning	25,598	27,953	32,684	32,684	-	0.0%
22 - Building	35,492	31,290	31,454	31,454	-	0.0%
23 - Engineering Storm Water	117,390	142,528	151,671	151,671	-	0.0%
31 - Fire & Prevention	77,768	78,066	94,745	96,670	1,925	2.0%
41 - Public Works	263,410	290,675	324,184	324,184	-	0.0%
00 - Non Departmental	22,652	23,108	30,969	31,779	810	2.6%
99 - Debt Service Payments	148,564	(24,919)	321,583	321,583	-	0.0%
Total	1,169,006	1,182,950	1,632,695	1,648,930	16,235	1.0%
TRANSFERS IN/(OUT)						
Transfers In	-	-	-	-	-	0.0%
Transfers Out	-	(919,624)	(894,700)	(894,700)	-	0.0%
Total	-	(919,624)	(894,700)	(894,700)	-	0.0%
TOTAL OPERATING EXPENDITURES	2,299,735	3,215,269	3,989,245	4,165,480		
Net General Fund Surplus (Deficit)	244,239	(634,808)	(1,533,291)	(1,709,526)		
Beginning Unassigned Fund Balance	1,406,014	1,650,253	1,015,445	1,015,445		
Ending Unassigned Fund Balance	1,650,253	1,015,445	(517,846)	(694,081)		
RESERVE						
Policy Reserve Level (Minimum-25%)	574,934	803,817	598,387	624,822		
Actual Reserve Level	71.8%	31.6%	-13.0%	-16.7%		

SEWER FUND CONSOLIDATION

	2020-2021 Actuals	2021-2022 Actuals	2022-23 Adopted Budget	2022-23 Proposed Adjustment	\$ Inc/(Dec)	% Change
REVENUES:						
Charges for Services	2,870,221	2,923,288	3,407,455	3,407,455	-	0.0%
Interest Income	9,446	(43,007)	4,000	4,000	-	0.0%
Miscellaneous Revenue	19,246	117,384	3,000	3,000	-	0.0%
Total	2,898,913	2,997,665	3,414,455	3,414,455	-	0.0%
EXPENDITURES:						
Salary & Wages	177,927	241,347	304,100	304,100	-	0.0%
Benefits	129,093	216,201	159,100	159,100	-	0.0%
Contracted Services	70,061	50,757	193,300	193,300	-	0.0%
Services & Supplies	66,321	54,445	126,150	126,150	-	0.0%
Special Program	1,650,401	50,450	1,000	1,000	-	0.0%
Equipment (under \$10K)	7,725	-	-	-	-	0.0%
Vehicle Expense	-	58	-	-	-	0.0%
Conference & Training Expense	3,717	7,307	10,500	10,500	-	0.0%
Utilities	43,630	46,277	65,250	65,250	-	0.0%
Telcommunications	1,930	1,755	3,500	3,500	-	0.0%
Allocated Insurance	38,263	49,658	69,900	69,900	-	0.0%
Capital Outlay	99,765	36,896	35,500	35,500	-	0.0%
Subregional	1,650,401	1,650,401	1,737,400	1,737,400	-	0.0%
Total	3,939,234	2,405,552	2,705,700	2,705,700	-	0.0%
OTHER SOURCES (USES)						
10 - City Council	37,614	36,310	38,628	38,628	-	0.0%
11 - City Manager	47,399	52,400	57,502	57,502	-	0.0%
12 - City Attorney	4,652	7,762	7,255	9,805	2,550	35.1%
13 - Assistant City Manager City Clerk	22,696	25,264	29,421	30,034	613	2.1%
14 - Administrative Services (Finance)	355,128	483,890	495,682	504,007	8,325	1.7%
21 - Planning	15,357	16,771	19,610	19,610	-	0.0%
22 - Building	35,492	31,290	31,454	31,454	-	0.0%
23 - Engineering Storm Water	96,673	117,376	124,905	124,905	-	0.0%
41 - Public Works	202,576	220,034	248,680	248,680	-	0.0%
00 - Non Departmental	22,652	23,108	30,969	31,779	810	2.6%
99 - Debt Service Payments	28,845	1,886	199,263	199,263	-	0.0%
Total	869,084	1,016,091	1,283,369	1,295,667	12,298	1.0%
TRANSFERS IN/(OUT)						
Transfers In	-	-	-	-	-	0.0%
Transfers Out	-	(697,265)	(1,014,850)	(1,057,350)	(42,500)	4.2%
Total	-	(697,265)	(1,014,850)	(1,057,350)	(42,500)	4.2%
TOTAL OPERATING EXPENDITURES	4,808,318	4,118,908	5,003,919	5,058,717		
Net General Fund Surplus (Deficit)	(1,909,405)	(1,121,243)	(1,589,464)	(1,644,262)		
Beginning Unassigned Fund Balance	3,305,149	1,395,744	274,501	274,501		
Ending Unassigned Fund Balance	1,395,744	274,501	(1,314,963)	(1,369,761)		
RESERVE						
Policy Reserve Level (Minimum-25%)	1,202,080	1,029,727	750,588	758,808		
Actual Reserve Level	29.0%	6.7%	-26.3%	-27.1%		

EQUIPMENT TECHNOLOGY & VEHICLE RESERVE FUND						
	2020-2021 Actuals	2021-2022 Actuals	2022-23 Adopted Budget	2022-23 Proposed Adjustment	\$ Inc/(Dec)	% Change
REVENUES:						
Intergovernmental Revenues	206,134	93,942	-	-	-	0.0%
Interest Income	7,315	(18,390)	2,000	2,000	-	0.0%
Miscellaneous Revenue	-	-	-	38,000	38,000	0.0%
Total	213,449	75,552	2,000	40,000	38,000	1900.0%
EXPENDITURES:						
31 - Fire & Prevention	-	389,241	40,000	40,000	-	0.0%
32 - Police	-	-	40,000	40,000	-	0.0%
41 - Public Works	-	-	-	-	-	0.0%
Total	-	389,241	80,000	80,000	-	0.0%
TOTAL OPERATING EXPENDITURES	-	389,241	80,000	80,000		
Net General Fund Surplus (Deficit)	213,449	(313,689)	(78,000)	(40,000)		
Beginning Unassigned Fund Balance	1,007,839	1,221,288	907,599	907,599		
Ending Unassigned Fund Balance	1,221,288	907,599	829,599	867,599		

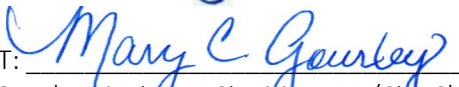
PASSED AND ADOPTED, by the CITY COUNCIL of THE CITY OF SEBASTOPOL, COUNTY OF SONOMA, of STATE OF CALIFORNIA on this 21st day of February, 2023.

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

VOTE:

Ayes: Councilmembers Maurer, McLewis, Zollman, Vice Mayor Rich and Mayor Hinton
 Noes: None
 Absent: None
 Abstain: None

APPROVED: 
 Mayor Neysa Hinton

ATTEST: 
 Mary Gourley, Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM: 
 Larry McLaughlin, City Attorney