



**City of Belvedere
City Council Meeting
Other Scheduled Items
Monday, May 13, 2024**

To: Mayor and City Council

From: Robert Zadnik, City Manager
Helga Cotter, Director of Administrative Services

Subject: **Item No. 10.A.: Preliminary Fiscal Year 2024-25 Operating and Capital Budget**

Recommended Motion/Item Description

Consider the preliminary FY2024-25 Operating and Capital Budget. Provide direction to staff.

Background

A preliminary FY2024-25 Operating and Capital Budget is presented for Council review and comment. This initial review provides an opportunity for the Council to ask questions or provide input prior to the budget being finalized and presented for adoption in June. The preliminary budget has been reviewed by the Finance Committee, which voted unanimously to recommend its adoption by the City Council.

The budget includes an Operating Budget, a Capital Improvement Plan and Budget, and a Five-Year forecast of revenues and expenditures. In general, we have taken a conservative approach to forecasting while still presenting a budget that meets the City's operational needs and reserve policy.

PENSION IMPACTS

As part of the FY2021-22 budget process, the City evaluated and established a strategy to reduce its pension risk. The City ultimately decided to calculate its unfunded pension position using a lower discount rate/investment return assumption than employed by CalPERS and establish a Section 115 Trust to make additional contributions. These reserve funds are available for pension-related expenses only. The City seeded the Trust with \$1.5M. If adopted, this budget would allocate an additional \$300,000 in FY2024-25 and each of the next four years. These actions will help to ensure that ever-growing pension-related expenses will not crowd out important City funding priorities in the future.

The increase in required pension contributions to CalPERS over the forecast period reflects the lowering of CalPERS' discount rate from 7.0% to 6.8% and its negative 6.1% investment return for the period ending June 30, 2022. The budget anticipates required pension contributions rising

from \$195,000 in Year 2 to \$415,000 in Year 5, on top of the \$300,000 annual voluntary Trust contributions.

KEY PRIORITIES:

The budget is, in essence, a reflection of priorities. In addition to providing adequate funding for City operations and maintenance, the budget includes a number of significant capital projects that advance priorities established at City Council retreats and through the work of citizens' committees. Budget priorities include:

Protecting our City - Our People and Our Community Assets

- Support a full-service police department, contract for fire protection, and emergency services.
- Continuation of the responsive management plan for coyotes within the community.
- Manage wildlife and community interactions by promoting awareness through interactive resources and communications.
- Enhance the City's communications by upgrading the City's Council chamber's sound system.
- Increase our level of preparation for fire events by supporting additional Chipper Days, funding the removal of flammable vegetation on city properties, and improving evacuation routes, procedures, and related technology.
- Continue to fund the Critical Infrastructure Reserve for future and emergency infrastructure projects.
- Continue to invest in street upgrades and repairs, retaining wall repairs and planning and preparation for the upcoming Beach Road Stabilization Project.
- Increase support of the Richardson's Bay Regional Agency in its work to establish a well-regulated bay environment.

Improving Quality of Life – Community Center and Traffic Reduction

- Continue to support the Yellow Bus program, which has proven successful in reducing traffic during certain peak periods throughout the school year.
- Improve public accessibility and functionality of City Hall and the Community Center.
- Enhance the capacity of the Community Center and Founder's Room to serve the public as a re-charging station, information hub, and gathering center during outages and other events.

Planning for Belvedere's Future

- Implement a revised Construction Time Limit Ordinance to promote the timely completion of construction projects.
- Implement Climate Action Plan goals through sustainability programs and initiatives.

DEPARTMENT GOALS

In furtherance of the above priority initiatives, and to guide work during the year, City departments have established the following goals and objectives.

Administration

- Continue to monitor and improve the City's website platform to enhance communication and provide timely information to residents, interested members of the public and outside agencies.
- Continue to improve the City's technology with upgrades to the Council chambers sound system and laptops.
- Work with the Planning Department to conduct a fee study to review the Planning Department's fee schedule.
- Implement the goals and objectives of the City Council as cost-effectively as possible.
- Encourage a strong sense of fiscal and ethical responsibility in the organization.
- Produce financial reporting that is transparent, accurate, and timely.
- Provide quality customer service to the community and continuously strive to improve public access, public information, and public communication.

Planning and Building

- Finalize certification of the City of Belvedere Housing & Safety Element.
- Refine Objective Design & Development Standards (ODDS) for multi-family housing projects.
- Implement the building permit revaluation process to obtain more accurate project costs.
- Implement the amended Construction Time Limit (CTL) Ordinance to become more transparent and easier for the public to understand.
- Review and implement improvements to Design Review and Zoning Ordinances.
- Review the 6th Cycle Housing Element policies and procedures and work on implementation.
- Continue to work with the Public Works Department to develop administrative policies regarding work in the public right-of-way, such as sidewalk installation standards, utility equipment, ADA compliance, landscape maintenance and responsibility, view issues, driver and pedestrian sight line issues, roadway obstructions, and revocable license standards.
- Work to enhance communication and permit processing timeline goals and explore opportunities for more efficient computer programs to enhance communication.
- Continue to provide applicants, contractors, architects, engineers and property owners with resource referrals and education on the California Building Standards Codes and other State and Local requirements.
- Upgrade the Building Department website to disseminate accurate information and provide more assistance to the public.
- Continue to implement and improve upon policies and procedures for cost recovery.

Police

Ongoing Goals:

- Maintain the city's very low crime rate with proactive patrol and citizen education.
- Aggressively work to prepare the City and its citizens to be ready in case of a disaster.
- Work in concert with other city departments to meet overall goals and objectives.
- Strive to help improve the quality of life and safety within the City.
- Participate in community events to enhance relationships with the citizens of Belvedere.

Near-Term Goals:

- Stay abreast of current law enforcement trends by participating in the training of Police Department personnel. Local training with allied agencies will keep training costs down.
- Participate in the annual county-wide disaster exercise that includes working in conjunction with all Belvedere and Tiburon staff to improve disaster response.
- Participate in Public Safety fairs and school events as the opportunity arises.
- Assist in leading Block Captain training exercises that educate and help prepare the community for disasters.

Public Works

- Complete design and engineering for Beach Road Stabilization Project, including elemental integration with possible future Critical Infrastructure Project.
- Complete permitting for the Beach Road Stabilization Project.
- Oversee an aggressive 5-year Pavement Management Program.
- Assist in development of a community-wide evacuation program, including staff and resident training events.
- Implement the Fire Department and Public Works Annual Fire Risk Reduction Program focusing on the removal of hazardous trees and vegetation.

THE BUDGET

The City's finances are segregated into a number of funds as a way of ensuring that assets designated for a specific purpose are spent as intended. The Budget is constructed to mirror the financial reporting system.

In addition to current-year activity, the Budget projects revenues and expenditures for each fund for the next five years and forecasts capital projects to be undertaken during that same time period.

GENERAL FUND

The General Fund is the chief operating fund for the City, receiving and disbursing all revenue that is not required to be accounted for separately. The General Fund budget includes funding for departmental operations, as well as transfers to the Fire Fund, Capital Projects Fund, Equipment Replacement Fund, Road Impact Fee Fund, Pension Reserve Fund, Pension-related Debt Fund, and Critical Infrastructure Fund.

General Fund Revenue Projections

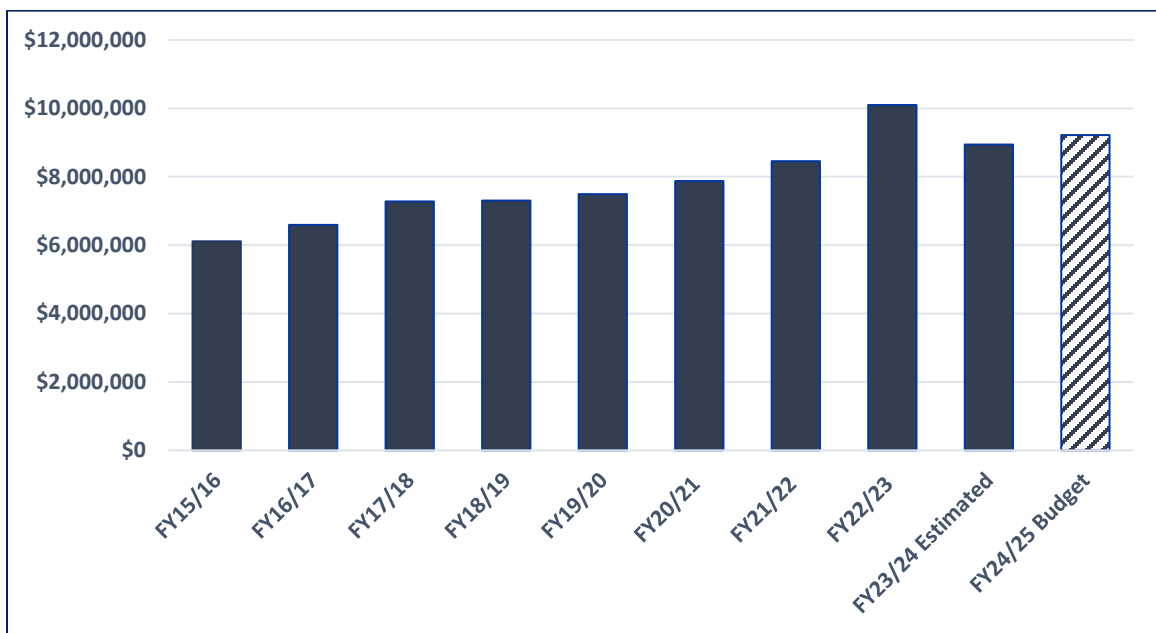
The City depends primarily on property tax revenue to fund department operations. Marin County estimates that Secured Property Tax revenues, which form the bulk of total property tax revenues, will increase by 6.6% in FY2024-25 compared with FY2023-24 budget estimates. We have assumed a slightly more conservative 6.3% increase, compared with both budgeted and expected actuals for FY2023-24. All other property taxes, including Unsecured, VLF Swap, ERAF, and real property transfer tax revenues are expected to be broadly in line with FY2023-24 anticipated actuals, leading to an overall increase in property tax revenues of 5.0% compared with FY2023-24 anticipated actuals.

The City's Master Fee Schedule underwent an overhaul in March 2021 and was put into effect in May of the same year. As part of this current Master Fee Schedule, staff time is billed as a time and materials system for most planning service fees. The hourly billing rates and fee structure are

designed to achieve a 90% cost recovery. As of March 31, 2024, the cost recovery rate for the Planning and Building Department was 65%. This is due to a decrease in revenue from construction permits and fewer planning and building projects overall. During this period, approximately 25% of the planning staff's time was dedicated to revisions to the 6th Cycle Housing Element, which is not a cost recovery project.

Total General Fund revenue for FY2024-25 is \$9,218,427. This represents an increase of 7.1% from the current year's budget and a 3.1% increase from the projected actuals of the current year. The increase in revenue can be mainly attributed to two factors: first, an increase in property tax revenues, and second, a modest increase in encroachment permits and road closure fee revenue. It's important to note that the decrease in revenues from FY2022-23 compared to the current and budgeted fiscal year, is a result of 1) ARPA funds not being included in the current budget as these were one-time funds spread over the prior two fiscal years and 2) FY2022-23 actuals reflect \$400,000 in Construction Time Limit fines received, however this is not a budgeted revenue source and 3) \$156,000 one-time funds for a State Planning Grant were received during the prior fiscal year. The City anticipates there may be some CTL fines in the upcoming fiscal year. Again, this is not a budgeted revenue source.

General Fund Revenue History



General Fund Expenditures

In addition to anticipated increases in the costs of goods and services, increases are also being seen for memberships in various JPAs, insurance premiums, and contracts for services; the draft budget incorporates the following assumptions:

- Continues deferral of one Police Officer position (approximately \$211,000 savings). This position is part of the police department's planning for staff turnover and continuity of service.
- Three percent (3%) COLA for represented and non-represented staff.

- Anticipates consultant/legal expenditures to support finalizing housing element site plan and ODDS program revisions, cost-recovery program review, and general legal as well as other ongoing litigation.
- Contributes \$200,000 to the Insurance & Legal Reserve to assist in covering litigation outside the City's insured risk. Construction Time Limit (CTL) fine revenue received during the fiscal year is anticipated to help offset this transfer.
- Accounting support services for \$46,000. Outsourcing of finance department processes based on the recommendation of City's auditor due to risks associated with a single headcount in the finance department.
- Upgrades to system technology for \$20,100. Replacement of outdated and malfunctioning laptops and sound system in Council chambers. Upgrades will reduce costs and increase the stability of the City's public meetings.
- Replaces one Public Works vehicle for \$61,000. Replace the oldest vehicle in the fleet with an EV, reducing fuel costs, maintenance, and our carbon footprint.
- One-time payment to Tiburon Fire Protection District for \$92,500 for partial payment of City's portion of the TFPD's Section 115 Pension funding expenditure.
- One-time payment to Trust for Public Lands for \$125,000. Provides funding to the Trust for Public Lands to assist with the purchase of the Martha Property. This was approved by the Council at their April 8, 2024, meeting.
- Fee study for the City's Master Fee Schedule. The Planning Department fee structure needs to be reviewed to ensure that the City is charging appropriately for its services. This consultant-led study is expected to cost around \$100,000.
- Contributes \$650,000 to the Critical Infrastructure Reserve in FY2024-25 in anticipation of the upcoming Beach Road Stabilization project that is estimated at \$2.2 million. This project is anticipated to start in FY24/25 with design and engineering and mitigation work and the construction phase is planned for FY26/27.
- Contributes \$300,000 per year to the 115 Pension Trust Fund through a transfer from the General Fund for each of the next five years.
- Continues deferral of the Lanes Initiative. Prior to the pandemic, this program was designed to improve lanes by matching \$100,000 in annual City funds with \$200,000 in private fundraising.

General Fund Transfers

In FY2024-25, \$1,274,772 will be transferred from the General Fund to the Fire Fund, combined with estimated Fire Tax revenue of \$1,129,736, and paid to Tiburon Fire Protection District to provide fire protection services in Belvedere. \$485,179 will be transferred to the Capital Improvement Fund to pay for a variety of important capital projects, including the Beach Road Retaining Wall Repair project and the design, engineering, and potential mitigation work phase for the upcoming Beach Road Stabilization Project anticipated for FY2026-27. \$108,620 will be transferred to the Equipment Replacement Fund for routine equipment needs and the purchase of a replacement vehicle for Public Works and the upgrade to the Council Chambers sound system. \$151,157 will be transferred to the Road Impact Fee Fund to help cover Road Maintenance projects. \$200,000 will be transferred to the Insurance & Legal Reserve to cover ongoing litigation outside of the City's insured risk and \$247,961 will be transferred to the Debt Service Fund. Transfers also include \$300,000 to the Section 115 Pension Trust and \$650,000 to the Critical Infrastructure Reserve Fund in anticipation of the upcoming construction phase of the Beach Road Stabilization Project in FY2026-27. Therefore, total transfers out of the General Fund are \$3,417,688 for FY2024-25.

The total FY2024-25 General Fund budget forecasts \$7,007,015 in expenditures and \$3,417,688 in transfers out of the General Fund, for a total of \$10,424,703, an 18% increase over current year expected actuals.

General Fund Reserve

As planned, the General Fund operating budget will generate a net surplus of \$488,679 in FY2024-25. After transfers of \$1,694,956 to the Capital Improvement Fund, the Critical Infrastructure Reserve Fund, and the Pension 115 Trust Reserve Fund, the General Fund balance is projected to decline by \$1,206,277.

The Council has established a policy of maintaining a General Fund Reserve equal to 50% of projected General Fund expenditures plus the Fire Fund transfer, plus the amount of Pension-related Debt Service payments. The target for the end of the current fiscal year (June 30, 2024) is \$4,128,255. The City expects to start FY2024-25 (July 1, 2024) with a General Fund Reserve of \$5,652,235, which is \$1,523,980 above the reserve target. As presented, the General Fund operating budget for FY2024-25 anticipates a surplus over the reserve target at fiscal year-end of \$110,219.

Over the following four years, the General Fund is expected to run a net operating surplus of more than \$900,000 annually, with much lower transfers planned than in FY2024-25. Lower capital expenditures and smaller contributions to the Critical Infrastructure Fund explain this shifting pattern.

FIVE-YEAR FORECAST AND FUND BALANCE SUMMARY

The budget projections reflect a cautious approach to budget planning. The five-year forecast makes the following assumptions in years two through five: stable growth in property tax revenue of 4.5%, an increase from 4.25% to 4.50% in overall department operating expenses, 7.5% annual increases in the cost of fire protection, and capital costs as outlined in the five-year capital improvement plan.

The budget is designed to meet the reserve goal throughout the forecast period, based on the forecasted assumptions, reduction in Capital Project Expenditures, and a transfer of \$1.7 million from the Critical Infrastructure Reserve to the Capital Improvement Fund in FY2026-27. This will cover most of the Beach Road Stabilization Project construction expenses, thereby reducing the transfers out of the General Fund related to capital expenditures. The table below shows our General Fund Summary and Reserve projections over the next five years (Table 1).

Table 1: FY2024-25 General Fund Summary & Reserve Projections

General Fund Summary & Reserve Projections							
	Revised Budget FY23/24	Estimated Actual FY23/24	Proposed Budget FY24/25	Projected FY25/26	Projected FY26/27	Projected FY27/28	Projected FY28/29
Beginning Fund Balance	5,535,575	5,535,575	5,652,235	4,445,959	4,547,506	4,789,347	5,024,625
Revenues							
General Fund	8,585,407	8,941,639	9,218,427	9,621,301	10,042,188	10,481,895	10,941,263
Fire Fund	1,096,831	1,096,831	1,129,736	1,174,925	1,227,797	1,283,048	1,340,785
Total Operating Revenues	9,682,238	10,038,470	10,348,163	10,796,226	11,269,985	11,764,943	12,282,048
Expenditures							
General Fund	(6,894,178)	(6,446,260)	(7,007,015)	(7,120,097)	(7,408,014)	(7,702,774)	(8,006,709)
Fire Fund	(2,150,930)	(2,150,868)	(2,404,507)	(2,485,613)	(2,671,809)	(2,871,970)	(3,087,142)
Restricted Funds	(440,722)	(440,972)	(447,961)	(240,695)	(237,417)	(250,023)	(240,311)
Total Operating Expenditures	(9,485,830)	(9,038,100)	(9,859,484)	(9,846,405)	(10,317,240)	(10,824,767)	(11,334,162)
Net Operating Surplus/(Deficit)	196,408	1,000,370	488,679	949,821	952,745	940,176	947,886
Capital Expenditures							
Capital Improvement	(259,588)	-	(485,179)	(282,739)	(265,427)	(74,929)	(26,237)
Road Impact Fee Fund	(115,337)	(133,710)	(151,157)	(126,534)	(116,478)	(75,969)	(84,988)
Equipment Replacement	(34,000)	-	(108,620)	(139,000)	(29,000)	(129,000)	(29,000)
Net General Fund Surplus/(Deficit)	(212,517)	866,660	(256,277)	401,548	541,841	660,278	807,661
Transfers Out of General Fund - Reserve Funds							
115 Pension Trust Reserve Fund	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Critical Infrastructure Reserve Fund	(450,000)	(450,000)	(650,000)	-	-	(125,000)	(250,000)
Total Transfers to Reserves	(750,000)	(750,000)	(950,000)	(300,000)	(300,000)	(425,000)	(550,000)
Change In Fund Balance	(962,517)	116,660	(1,206,277)	101,548	241,841	235,278	257,661
Year End Fund Balance	4,573,058	5,652,235	4,445,959	4,547,506	4,789,347	5,024,625	5,282,286
Reserve Calculation							
General Fund Expenses + Fire Transfer + Debt Service	8,256,510	8,256,510	8,671,480	9,089,443	9,541,719	9,993,377	10,499,979
General Fund Reserve Policy 50%	4,128,255	4,128,255	4,335,740	4,544,721	4,770,860	4,996,689	5,249,989
Projected General Fund Balance	4,573,058	5,652,235	4,445,959	4,547,506	4,789,347	5,024,625	5,282,286
Over (Under) Policy in Dollars	444,803	1,523,980	110,219	2,785	18,488	27,937	32,297
Over (Under) Policy as percentage	55%	68%	51%	50%	50%	50%	50%

Note: Proposed Budget FY24/25 thru Projected FY28/29 beginning balances are estimated.

OTHER FUNDS

The City has other funds, including other operating funds, capital funds, debt service funds, and special reserve funds.

Fire Fund – Other Operating (130)

This fund accounts for revenue levied by the City’s special fire tax, and expenditures by the City to provide fire protection and emergency medical services to the City’s residents. Funds from the General Fund are transferred to the Fire Fund annually to balance the fund.

Capital Improvement Fund – Capital (900)

This is the primary Capital Fund for the City and is utilized to account for capital activities with one-time and multiple funding sources. Within the fund, each capital project is accounted for separately. Revenues are in the form of grants with specific expenditure requirements. General Fund transfers are made to this fund to provide local matching funds on grant-funded projects, and to fund capital projects without designated revenue sources.

Road Impact Fee Fund – Capital (901)

This fund is part of the City’s Capital Funds group, and accounts for road impact fees collected

on building permits and expended on capital activities related to improving the City's roads.

Measure A Parks Fund – Capital (902)

This fund is part of the City's Capital Funds group and is used to track County of Marin Measure A Parks revenue and expenditures. Measure A helps cities, towns, and special districts maintain parks, open space, and recreational programming.

Critical Infrastructure Reserve Fund – Capital (903)

The Critical Infrastructure Reserve is available to provide resources for potential future critical infrastructure capital projects in the City; both planned and emergency repair projects. The reserve is designed to reduce the City's future needs for borrowing or bonding on these projects and could also be used to satisfy match requirements for specific goals.

Equipment Replacement Fund - Capital (210)

This fund is part of the City's Capital Funds group. The purpose of this fund is to provide vehicles and equipment for the City's operational needs. Equipment lease payments for large equipment are also tracked in this fund. Proceeds from the sale of surplus property are credited to this fund, with the remainder of the expenditures supported by a General Fund transfer.

Pension-Related Debt Fund – Debt Service (500)

This Fund accounts for debt service payments on the lease-leaseback arrangement on the City's Corporation Yard and adjacent property. This lease arrangement was entered into in August 2017 as a means of restructuring some of the City's unfunded pension liability with CalPERS. This is the City's only debt, and the debt service payments are funded by transfers from the General Fund.

Insurance & Legal Reserve Fund – Special Reserve (160)

This Fund is designed to cover claims and deductibles related to property and casualty insurance claims in addition to legal defense, damages, and settlements. Reserves shall be replenished through subsequent charges to the appropriate user departments and/or by utilizing revenue from Construction Time Limit (CTL) fines. Funds are transferred from the General Fund to ensure this fund continues to meet its target goal of \$250,000 to \$300,000.

115 Pension Trust Fund – Special Reserve (115)

The purpose of the 115 Pension Trust is to set aside an appropriate level of funds to fully fund accrued pension obligations at a more prudential rate. City Council approval is required for use of accumulated funds in the 115 Pension Trust to CalPERS as an additional discretionary payment or to offset a portion of the actuarially determined contribution.

CAPITAL PROJECTS

Capital expenditures are defined as projects that address the building, upgrade or replacement of the City's infrastructure. Maintaining and improving the infrastructure is a key component of the viability of the City. The Public Works Department manages all of the capital projects in the City. Capital projects often cross fiscal years due to the timing of design, bid, award and construction.

Each year, the City budgets for capital projects that improve existing infrastructure, repair and replace aging facilities, meet regulatory requirements, preserve property values, and enhance the quality of life for Belvedere residents. With limited resources and a long list of needs, projects must be chosen carefully. Large projects must be planned for over a period of years. It is worth noting that, in recent years, utility undergrounding projects have required extensive staff management and are funded primarily through assessments of residents. Some capital projects

have been delayed because of limited project management capacity; most of these projects will commence this fiscal year and will be funded with unspent money that is carried into the coming fiscal year.

The primary focus of this year's capital budget is in three areas:

- Road maintenance: pavement repairs, crack sealing, traffic marking, slurry sealing, and other road stabilization projects.
- Critical Infrastructure: Planning, engineering, and permitting for the upcoming stabilization project on Beach Road; completion of a retaining wall repair project.
- Emergency Preparedness: Vegetation and fire fuel reduction at various locations throughout the City.

The Beach Road Stabilization Project is a three-year project beginning in FY2024-25 to address erosion issues along the Beach Road seawall and its ability to support Beach Road and the sidewalk in three locations. The first phase of the project will focus on planning, engineering, and obtaining permits, while the construction phase is expected to be a single project in FY2026-27. The project is estimated at \$2.2 million over the three years. Funding for this project will come from both the General Fund and the Critical Infrastructure Reserve Fund.

FUTURE PROJECTS & FUNDING CONSTRAINTS

There are a number of projects and challenges that may need to be addressed during the course of FY2024-25 or within the next few years. In many cases, there are needs for which funding has not been identified.

Additional projects for which funding has not yet been identified include:

- Critical Infrastructure Project – Earthquake and Utility Protection for Levees
- Sustainability Plan implementation (Sustainable Fleet, LED lighting, etc.)
- Belvedere Emergency Evacuation Plan and related roadway adjustments.
- Artist View Lane Development Project.
- Utility Undergrounding along West Shore Road, Lagoon Road, and Lower Golden Gate Avenue.
- Urban Tree Maintenance Program (to evaluate all public trees and budget for annual maintenance)
- Workforce Housing
- Police Department facility upgrades.
- Second half of the City's portion of TFPD's Section 115 Pension funding expenditure (deferred).
- Police Officer (deferred).
- Lanes Initiative projects (deferred).

Recommendation

Consider preliminary FY2024-25 Operating and Capital Budget; Provide direction to staff.

Attachments

1. Draft FY2024-25 Preliminary Budget



City of Belvedere

Annual Operating & Capital Budget

Fiscal Year 2024/2025

City Council

Peter Mark, Mayor
Sally Wilkinson, Councilmember
Nancy Kemnitzer, Councilmember
Jane Cooper, Councilmember
James Lynch, Councilmember

Prepared By

Robert Zadnik, City Manager
Helga Cotter, Administrative Services Director

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Introduction

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CM BUDGET MESSAGE

City of Belvedere
Operating & Capital Budget
Fiscal Year 2023/2024

(Placeholder for CM Budget Message)

City Overview

The City of Belvedere (the “City”) was incorporated in 1896. Belvedere is a General Law City, serving a population of just over 2,000. The City is approximately 4 miles north of San Francisco, in Marin County, California. Consisting of two islands and a lagoon, the City is connected to the Tiburon Peninsula by two causeways. The City is completely built out with single-family homes and a small number of apartments. There is limited retail or commercial activity in Belvedere.

Municipal Government

The City operates under a Council-Manager form of government, whereby policies of the City Council are administered by a City Manager who is appointed by the City Council. All municipal departments operate under the supervision of the City Manager. The Council consists of five members who are elected at large for 4-year overlapping terms. The Council elects one of the Council members to serve as Mayor each year. The City provides the following services: police, public works, planning and building, and general administration services. The City contracts with the Tiburon Fire Protection District to provide fire and emergency medical services. The City also shares library and recreation services with the neighboring town of Tiburon, with Joint Powers Agreements in place for both types of services.





Belvedere Residents

City Council

Peter Mark, Mayor

City Councilors: Sally Wilkinson, Nancy Kemnitzer, James Lynch, Jane Cooper

City Attorney

Renne Public Law Group
Contract for Services

City Manager

Robert Zadnik

Public Safety

Police Chief
Jason Wu

**Tiburon Fire
Protection District**
Contract for Services

Police Sergeants
Tom Sabido
Andrew Rosas

Police Officers
Jeremy Clark, Caitlin Cullen,
Erin Harrell, Joseph Devine
(1 deferred vacancy)

Planning & Building

**Director of
Planning & Building**
Rebecca Markwick

**Associate
Planner**
Samie Malakiman

**Building & Planning
Technician**
Nancy Miller

Building Official
Brian Van Son

**Building
Inspector II**
Genaro Muniz

IT Coordinator
SPTJ Consulting
*Contract for
ServicesR*

Administration

**Administrative
Services Director**
Helga Cotter

Administrative Analyst
Christina Cook

City Clerk
Beth Haener

Public Works

**Director of Public
Works/Emergency
Services Manager**
Antony Boyd

**Associate
Engineer**
Chris Barry

**Maintenance
Supervisor**
Alberto Carranza

**Maintenance
Workers I/II**
Roy DeMartini
1 vacant

City Engineer
Moe Engineering
Contract for Services

March	<ul style="list-style-type: none"> ➤ Finance Department distributes preliminary budget documents to Department Heads
April	<ul style="list-style-type: none"> ➤ Operating & Capital budgets due to Finance Department ➤ City Manager review begins ➤ Finance Committee meets to review and discuss Preliminary Budget
May	<ul style="list-style-type: none"> ➤ Preliminary Operating & Capital Budget presented to City Council
June	<ul style="list-style-type: none"> ➤ Budget adopted following Public Hearing at City Council Meeting ➤ Finance Department implements adopted Budget
July	<ul style="list-style-type: none"> ➤ Budget is monitored internally through monthly financial statements to City Manager and Department Heads
February	<ul style="list-style-type: none"> ➤ Mid-year budget review is presented to City Council

Budget Summaries

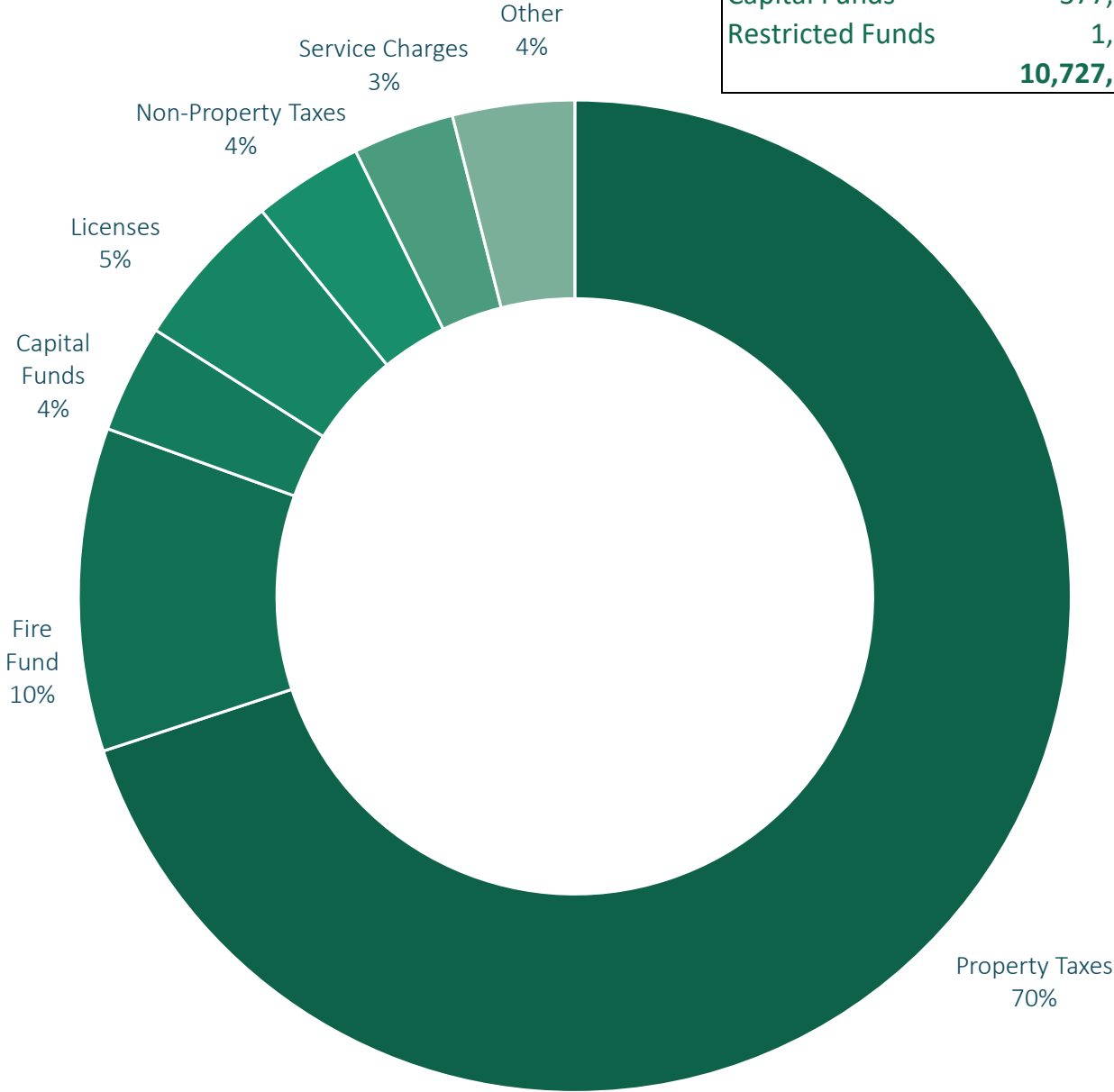
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Overview of Operating Budget Revenues & Expenditures

REVENUE & SOURCES	AMOUNT	EXPENDITURES	AMOUNT
GENERAL FUND REVENUES		GENERAL FUND EXPENDITURES	
Property Taxes	\$ 7,503,402	General Administration	\$ 1,369,885
Local Non-Property Taxes	383,355	Planning and Building	1,430,136
License & Permits	550,905	Police	1,745,494
Fine & Forfeitures	2,500	Public Works Operations & Maintenance	1,525,511
Investment & Property	198,787	Recreation (The Ranch)	68,857
Revenue From Other Agencies	172,334	Non-Departmental	867,132
Service Charges	355,144	SubTotal	7,007,015
Miscellaneous Other Revenue	52,000		
SubTotal	9,218,427		
FIRE FUND		FIRE FUND	
Fire Tax Proceeds	1,129,736	Fire Protection Costs	2,404,507
		RESTRICTED FUNDS	
		Legal Damages/Settlements	200,000
		Pension 115 Trust	-
		Debt Service	247,961
		SubTotal	447,961
TOTAL REVENUES	\$ 10,348,163	TOTAL EXPENDITURES	\$ 9,859,484
NET OPERATING SURPLUS/(DEFICIT)	\$ 488,679		
CAPITAL EXPENDITURES			
Capital Improvement Fund	(485,179)		
Road Impact Fee Fund	(151,157)		
Equipment Replacement Fund	(108,620)		
Subtotal	(744,956)		
NET GENERAL FUND SURPLUS/(DEFICIT)	(256,277)		
TRANSFERS TO RESERVE FUNDS			
Section 115 Pension Trust Reserve Fund	(300,000)		
Critical Infrastructure Reserve Fund	(650,000)		
Subtotal	(950,000)		
CHANGE IN FUND BALANCE	\$ (1,206,277)		

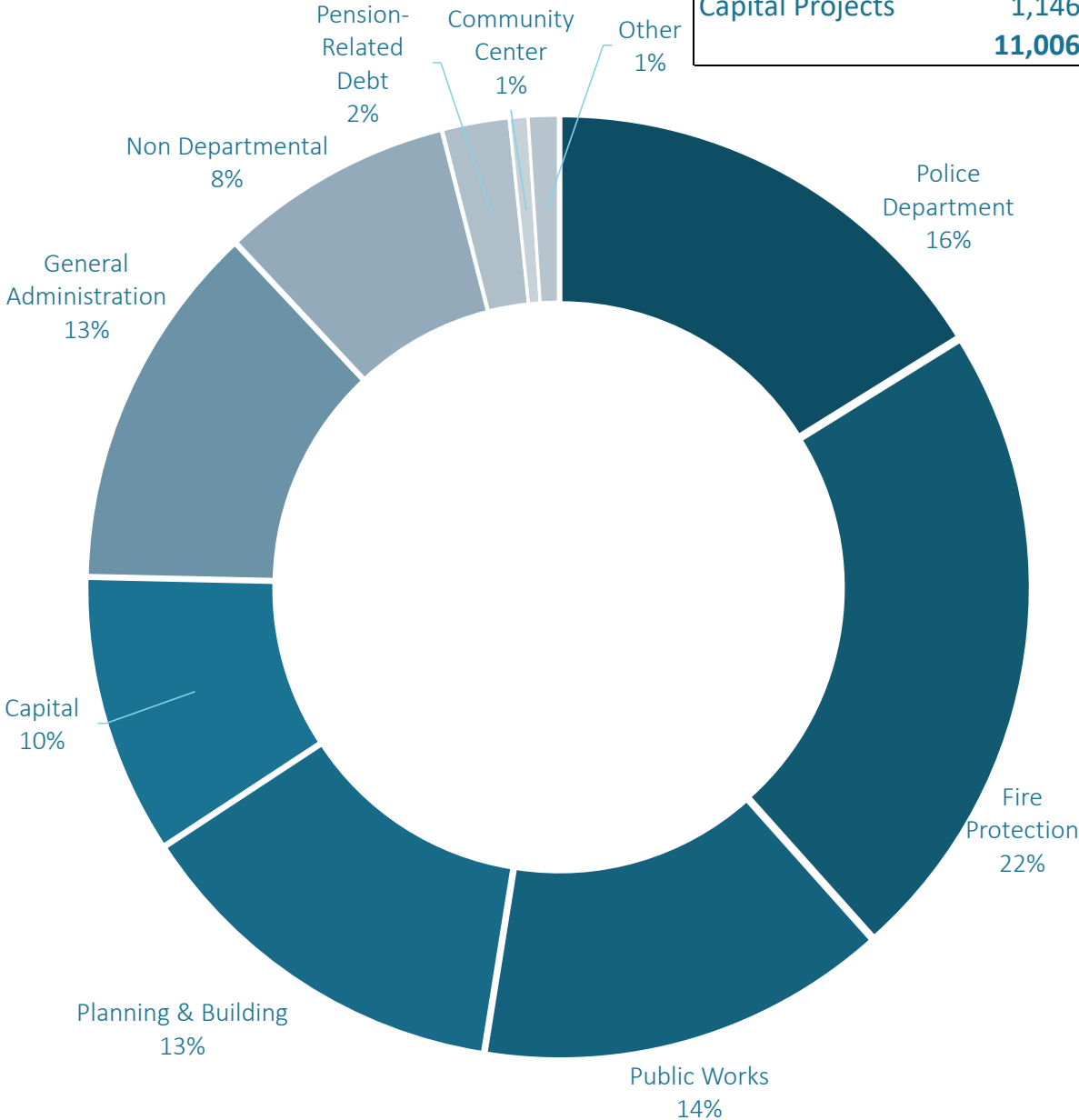
Total Revenues \$10,727,131

REVENUE SPLITS:	
Operating Funds	10,348,163
Capital Funds	377,969
Restricted Funds	1,000
	10,727,132



Total Appropriations \$11,006,084

APPROPRIATIONS SPLITS:	
Operating Funds	9,859,484
Capital Projects	1,146,600
	11,006,084



Schedule of Interfund Transfers

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

FUND		TRANSFERS IN	TRANSFERS OUT
100	General Fund		\$ 1,274,772 ¹
100	General Fund		300,000 ²
100	General Fund		200,000 ³
100	General Fund		247,961 ⁴
100	General Fund		485,179 ⁵
100	General Fund		151,157 ⁶
100	General Fund		650,000 ⁷
100	General Fund		108,620 ⁸
130	Fire Fund	\$ 1,274,772	
100	115 Pension Trust	300,000	
160	Insurance & Legal Reserve	200,000	
500	Pension-related Debt Obligation Fund	247,961	
900	Capital Improvement Fund	485,179	
902	Road Impact Fee Fund	151,157	
903	Critical Infrastructure Fund	650,000	
210	Equipment Replacement Fund	108,620	
	Total	<u>\$ 3,417,688</u>	<u>\$ 3,417,688</u>

¹ Fire expenditures not funded by Parcel Tax.

² Annual transfer from General Fund to 115 Pension Trust Fund.

³ Legal and Insurance expenditures.

⁴ Pension-related debt service payments.

⁵ CIP expenditures not funded by other revenue sources.

⁶ Road Impact Fee expenditures not funded by other revenue sources.

⁵ Planned transfer from General Fund to Critical Infrastructure Fund

⁶ Equipment Replacement expenditures not funded by other sources.

Revenue History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

FUND/ACTIVITY	FY20/21 ACTUAL REVENUES	FY21/22 ACTUAL REVENUES	FY22/23 ACTUAL REVENUES	FY23/24 ESTIMATED REVENUES	FY24/25 RECOMMENDED BUDGET
OPERATING REVENUE					
GENERAL FUND					
Property Taxes:					
Current Secured	\$5,085,230	\$5,318,104	\$5,799,843	\$6,032,718	\$6,412,398
Supplemental Assessments	103,627	181,196	208,753	75,000	75,000
Unsecured	101,749	105,811	115,591	126,616	121,461
Excess ERAF	569,394	615,026	590,982	480,200	470,596
VLF Swap	288,627	300,982	326,967	346,788	339,852
Real Property Transfer	184,182	183,061	103,432	84,095	84,095
Subtotal	<u>\$6,332,809</u>	<u>\$6,704,180</u>	<u>\$7,145,568</u>	<u>\$7,145,417</u>	<u>\$7,503,402</u>
<i>% Change over prior year</i>	7.7%	5.9%	6.6%	0.0%	5.0%
Local Non-Property Taxes:					
Sales Taxes	\$77,606	\$110,862	\$138,072	\$108,895	\$108,895
Sales Taxes - SB509	20,029	23,157	23,619	20,780	20,780
Business Licenses	61,766	56,105	66,767	56,180	56,180
PG&E Franchise	35,322	38,131	46,101	49,416	40,000
CATV Franchise	54,725	61,411	61,106	67,500	67,500
Garbage Franchise	95,729	99,359	98,414	90,000	90,000
Subtotal	<u>\$345,177</u>	<u>\$389,025</u>	<u>\$434,079</u>	<u>\$392,771</u>	<u>\$383,355</u>
<i>% Change over prior year</i>	-1.9%	12.7%	11.6%	-9.5%	-2.4%
Licenses & Permits:					
Construction Permits	\$407,555	\$466,096	\$538,127	\$326,244	\$326,244
Encroachment Permits	62,449	86,205	112,743	219,861	219,861
Revocable Licenses	3,972	2,284	8,000	2,667	2,667
Parking Permits	1,750	2,150	1,144	2,133	2,133
Miscellaneous Licenses and Permits	7,605	14,411	2,050	0	0
Subtotal	<u>\$483,331</u>	<u>\$571,146</u>	<u>\$662,064</u>	<u>\$550,905</u>	<u>\$550,905</u>
<i>% Change over prior year</i>	-10.3%	18.2%	15.9%	-16.8%	0.0%

Revenue History - All Funds

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

FUND/ACTIVITY	FY20/21 ACTUAL REVENUES	FY21/22 ACTUAL REVENUES	FY22/23 ACTUAL REVENUES	FY23/24 ESTIMATED REVENUES	FY24/25 RECOMMENDED BUDGET
Fines & Forfeitures:					
Vehicle Code Fines	\$764	\$663	\$27,931	\$500	\$1,000
Planning & Building Penalties	100	2,000	403,900	75,100	1,500
Subtotal	<u>\$864</u>	<u>\$2,663</u>	<u>\$431,831</u>	<u>\$75,600</u>	<u>\$2,500</u>
<i>% Change over prior year</i>	-97.6%	208.2%	16116.0%	-82.5%	-96.7%
Investments & Property:					
Investments	\$31,984	(\$178,421)	\$274,512	\$184,095	\$180,000
Rent	72,084	51,012	50,009	18,787	18,787
Subtotal	<u>\$104,068</u>	<u>(\$127,409)</u>	<u>\$324,521</u>	<u>\$202,882</u>	<u>\$198,787</u>
<i>% Change over prior year</i>	-23.1%	-222.4%	-354.7%	-37.5%	-2.0%
Revenue From Other Agencies:					
Motor Vehicle In Lieu	\$0	\$0	\$0	\$900	\$900
HOPTR	21,788	21,656	21,970	21,733	21,434
Supplemental Law Enforcement Funding	164,192	169,098	173,532	150,000	150,000
Coronavirus Relief Fund	\$50,000	\$0	\$0	\$0	\$0
ARPA Funds	\$0	\$251,661	\$251,661	\$0	\$0
Subtotal	<u>\$235,980</u>	<u>\$442,415</u>	<u>\$447,163</u>	<u>\$172,633</u>	<u>\$172,334</u>
<i>% Change over prior year</i>	27.2%	87.5%	1.1%	-61.4%	-0.2%
Service Charges:					
Road Closure Signs	\$25,918	\$13,451	\$14,822	\$39,383	\$39,383
Plan Reviews	155,728	172,238	194,215	141,274	141,274
Technology Fee	8,600	6,650	6,575	6,411	6,411
Variances and Use Permits	7,752	2,000	4,000	0	6,857
Design Review/Design Review Exceptions	68,579	150,180	92,616	98,918	98,918
Appeals	1,408	2,800	2,950	1,400	1,400
Residential Building Reports/Inspections	24,080	13,200	13,208	12,400	12,400
Financial Services	4,050	6,300	2,550	3,500	3,500
Special Police Services	8,360	2,529	1,163	562	0
Electric Vehicle Charging Fees	4,071	5,653	3,896	5,001	5,001
Miscellaneous Charges for Services	22,525	57,335	78,438	32,425	40,000
Subtotal	<u>\$331,071</u>	<u>\$432,336</u>	<u>\$414,433</u>	<u>\$341,274</u>	<u>\$355,144</u>
<i>% Change over prior year</i>	0.4%	30.6%	-4.1%	-17.7%	4.1%

Revenue History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

FUND/ACTIVITY	FY20/21 ACTUAL REVENUES	FY21/22 ACTUAL REVENUES	FY22/23 ACTUAL REVENUES	FY23/24 ESTIMATED REVENUES	FY24/25 RECOMMENDED BUDGET
Miscellaneous Other Revenue:					
Concert-in-the-Park Series	\$27,195	\$33,237	\$37,932	\$17,410	\$32,000
Miscellaneous Other Revenue:	6,802	7,444	16,260	42,747	20,000
State Planning Grant	0	0	156,700	0	0
Grant Proceeds	6,723	0	26,695	0	0
Contributions/Private Grants	0	0	0	0	0
Subtotal	\$40,720	\$40,681	\$237,587	\$60,157	\$52,000
<i>% Change over prior year</i>	16.2%	-0.1%	484.0%	-74.7%	-13.6%
Total General Fund Revenue	\$7,874,020	\$8,455,037	\$10,097,246	\$8,941,639	\$9,218,427
<i>% Change over prior year</i>	5.1%	7.4%	19.4%	-11.4%	3.1%
FIRE FUND					
Fire Tax Proceeds	\$946,945	\$996,360	\$1,059,825	\$1,096,831	\$1,129,736
<i>% Change over prior year</i>	3.0%	5.2%	6.4%	3.5%	3.0%
TOTAL OPERATING REVENUE	\$8,820,965	\$9,451,397	\$11,157,071	\$10,038,470	\$10,348,163
<i>% Change over prior year</i>	4.9%	7.1%	18.0%	-10.0%	3.1%

Revenue History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

FUND/ACTIVITY	FY20/21 ACTUAL REVENUES	FY21/22 ACTUAL REVENUES	FY22/23 ACTUAL REVENUES	FY23/24 ESTIMATED REVENUES	FY24/25 RECOMMENDED BUDGET
CAPITAL REVENUE					
CAPITAL IMPROVEMENT FUNDS					
General Capital Improvements					
Contributions/Private Grants	\$82,527	\$197,357	\$41,874	\$2,913	\$0
Measure A/B Transportation Sales Tax	47,855	50,872	90,576	66,918	76,412
Gas Tax Revenue	85,968	92,626	105,741	82,447	60,000
DWR Grant	194,500	27,494	262,749	75,768	0
Prop 68 Park Bond	0	0	0	0	68,000
Total Cap. Improvement Fund Revenue	\$410,850	\$368,349	\$500,940	\$228,046	\$204,412
<i>% Change over prior year</i>	38.7%	-10.3%	36.0%	-54.5%	-10.4%
Road Impact Funds					
Road Impact Fee	\$163,935	\$203,486	\$302,465	\$153,843	\$153,843
<i>% Change over prior year</i>	-37.5%	24.1%	48.6%	-49.1%	0.0%
Marin County Parks & Open Space Fund					
Measure A Parks Sales Tax	\$16,968	\$28,538	\$11,935	\$19,714	\$19,714
<i>% Change over prior year</i>	-1.4%	68.2%	-58.2%	65.2%	0.0%
SUBTOTAL CAPITAL IMPROVEMENT FUNDS	\$591,753	\$600,373	\$815,340	\$401,603	\$377,969
<i>% Change over prior year</i>	2.8%	1.5%	35.8%	-50.7%	-5.9%
EQUIPMENT REPLACEMENT FUND					
Contribution	\$0	\$0	\$0	\$0	\$0
Grant	34,285	0	0	0	0
Sale of Property	10,807	382	0	6,480	1,000
Total Equip. Repl. Fund Revenue	\$45,092	\$382	\$0	\$6,480	\$1,000
<i>% Change over prior year</i>	12.0%	-99.2%	-100.0%	#DIV/0!	-84.6%
TOTAL CAPITAL REVENUE	\$636,845	\$600,755	\$815,340	\$408,083	\$378,969
<i>% Change over prior year</i>	3.4%	-5.7%	35.7%	-49.9%	-7.1%
TOTAL REVENUES	\$9,457,810	\$10,052,152	\$11,972,411	\$10,446,553	\$10,727,131
<i>% Change over prior year</i>	4.8%	6.3%	19.1%	-12.7%	2.7%

Expenditure History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

FUND/ACTIVITY	FY20/21 ACTUAL EXPENSES	FY21/22 ACTUAL EXPENSES	FY22/23 ACTUAL EXPENSES	FY23/24 ESTIMATED EXPENSES	FY24/25 RECOMMENDED BUDGET
OPERATING EXPENDITURES					
GENERAL FUND					
General Administration	\$934,099	\$1,267,326	\$1,279,444	\$1,232,778	\$1,369,885
Planning and Building	1,173,664	1,306,188	1,604,703	1,576,106	1,430,136
Police	1,583,418	1,573,346	1,582,172	1,695,185	1,745,494
Public Works Operations & Maintenance	1,211,593	1,087,852	1,250,618	1,220,772	1,525,511
Recreation (The Ranch)	65,739	53,467	59,125	62,266	68,857
Non-Departmental	388,591	698,371	691,420	659,153	867,132
TOTAL GENERAL FUND	\$5,357,104	\$5,986,550	\$6,467,482	\$6,446,260	\$7,007,015
<i>% Change over prior year</i>	<i>8.1%</i>	<i>11.7%</i>	<i>8.0%</i>	<i>-0.3%</i>	<i>8.7%</i>
FIRE FUND					
Fire Protection	\$1,748,530	\$1,854,651	\$1,999,011	\$2,150,868	\$2,404,507
<i>% Change over prior year</i>	<i>3.5%</i>	<i>6.1%</i>	<i>7.8%</i>	<i>7.6%</i>	<i>11.8%</i>
RESTRICTED FUNDS					
Legal Damages/Settlements	\$0	\$0	\$114,863	\$200,000	\$200,000
Pension 115	0	2,505	4,268	0	0
Debt Service	246,521	250,169	242,919	240,972	247,961
TOTAL RESTRICTED FUNDS	\$246,521	\$252,674	\$362,050	\$440,972	\$447,961
<i>% Change over prior year</i>	<i>-1.2%</i>	<i>2.5%</i>	<i>43.3%</i>	<i>21.8%</i>	<i>1.6%</i>
TOTAL OPERATING EXPENDITURES	\$7,352,155	\$8,093,875	\$8,828,543	\$9,038,100	\$9,859,484
<i>% Change over prior year</i>	<i>6.6%</i>	<i>10.1%</i>	<i>9.1%</i>	<i>2.4%</i>	<i>9.1%</i>

Expenditure History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

FUND/ACTIVITY	FY20/21 ACTUAL EXPENSES	FY21/22 ACTUAL EXPENSES	FY22/23 ACTUAL EXPENSES	FY23/24 ESTIMATED EXPENSES	FY24/25 RECOMMENDED BUDGET
CAPITAL EXPENDITURES					
CAPITAL IMPROVEMENT FUNDS					
General Capital Improvements					
Streets	\$100,762	\$472,159	\$538,850	\$370,804	\$365,000
Infrastructure	283,160	525,796	316,934	348,460	477,500
Lanes	16,964	29,484	26,833	197,708	35,000
Parks & Open Space	57,109	248,245	158,768	219,426	35,000
Community Buildings	111,721	58,336	89,711	247,473	80,000
Miscellaneous Other	109,519	24,249	27,254	158,443	43,000
Utility Underground Districts	0	59,545	38,427	45,519	0
Total Capital Improvements	\$679,235	\$1,417,814	\$1,196,777	\$1,587,833	\$1,035,500
<i>% Change over prior year</i>	-23.5%	108.7%	-15.6%	32.7%	-34.8%
RESTRICTED FUNDS					
Equipment Replacement	\$27,091	\$13,950	\$107,591	\$35,000	\$111,100
<i>% Change over prior year</i>	-82.5%	-48.5%	671.3%	-67.5%	217.4%
TOTAL CAPITAL EXPENDITURES	\$706,326	\$1,431,764	\$1,304,368	\$1,622,833	\$1,146,600
<i>% Change over prior year</i>	-32.3%	102.7%	-8.9%	24.4%	-29.3%
TOTAL EXPENDITURES	\$8,058,481	\$9,525,639	\$10,132,911	\$10,660,933	\$11,006,084
<i>% Change over prior year</i>	1.5%	18.2%	6.4%	5.2%	3.2%

City-Wide Salary & Benefit Information

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Salary Chart with Position Allocations

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

Rates in effect as of 7/1/2023

Department & Position	Step A	Step B	Step C	Step D	Step E	FTE
General Administration						
City Manager					17,667	1
Director of Administrative Services	12,381	13,001	13,651	14,333	15,049	1
City Clerk	7,953	8,351	8,768	9,207	9,667	1
Administrative Analyst	6,875	7,218	7,579	7,958	8,356	1
Planning & Building						
Director of Planning and Building	12,187	12,796	13,436	14,108	14,813	1
Building Official	9,981	10,480	11,004	11,554	12,132	1
Senior Planner	8,809	9,249	9,713	10,199	10,708	-
Associate Planner	7,610	7,991	8,390	8,810	9,250	1
Building Inspector II	7,327	7,694	8,078	8,482	8,906	1
Building & Planning Technician	6,270	6,583	6,912	7,258	7,621	1
Police						
Police Chief	13,149	13,806	14,496	15,221	15,982	1
Police Sergeant	8,756	9,194	9,654	10,136	10,643	2
Police Officer	7,444	7,817	8,207	8,618	9,049	4*
Public Works						
Director of Public Works	12,318	12,934	13,581	14,260	14,973	1
Associate Engineer	8,356	8,774	9,213	9,673	10,157	1
Maintenance Supervisor	7,300	7,665	8,048	8,451	8,873	1
Sr. Maintenance Worker	6,044	6,346	6,663	6,995	7,346	-
Maintenance Worker II	5,395	5,665	5,948	6,245	6,558	1
Maintenance Worker	4,817	5,058	5,311	5,576	5,855	1
Total Employees						21
Contract Staff						
City Attorney	Professional Services Contract with Renne Public Law Group					
City Engineer	Professional Services Contract with Moe Engineering					
Fire and Emergency Services	Contract for Services with Tiburon Fire Protection District					
IT Coordinator	Professional Services Contract with SPTJ Consulting					

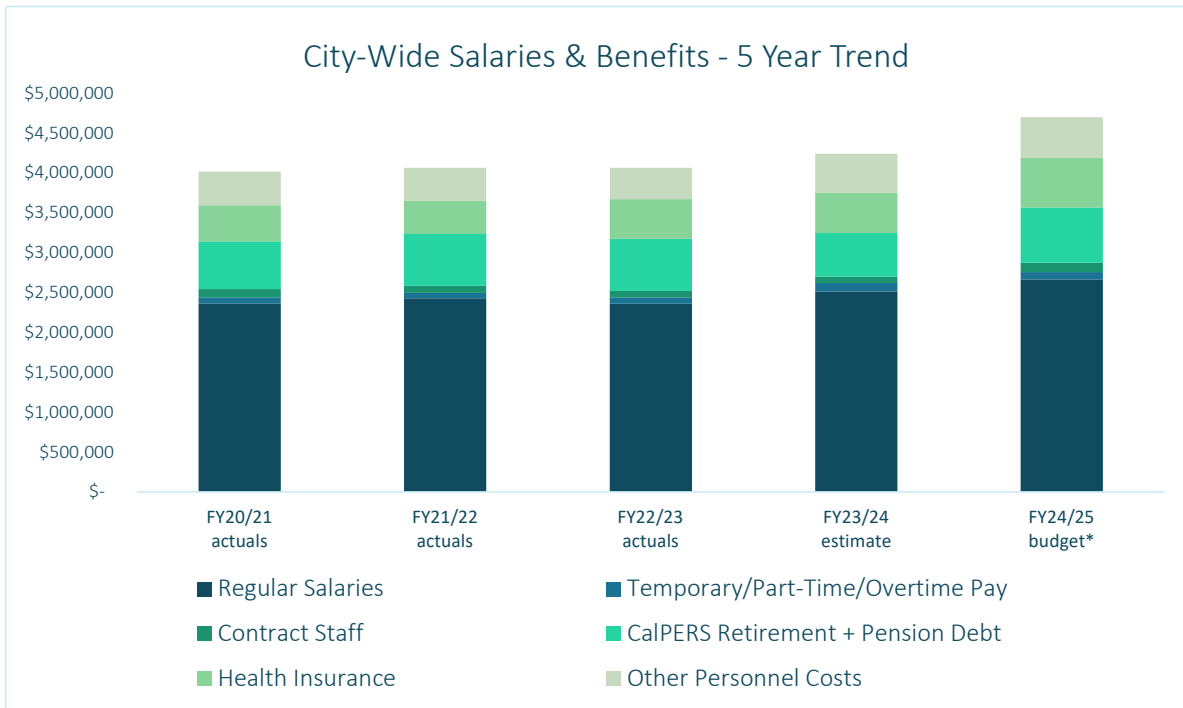
*Including one deferred FTE position

Citywide Salary and Benefit History

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

Citywide Salary and Benefit Information Budget Year + Four Year History

Salary & Benefit Costs	FY20/21 actuals	FY21/22 actuals	FY22/23 actuals	FY23/24 estimate	FY24/25 budget*
Regular Salaries	\$ 2,362,199	\$ 2,424,343	\$ 2,357,152	\$ 2,511,971	\$ 2,662,372
Temporary/Part-Time/Overtime Pay	\$ 77,256	\$ 71,719	\$ 81,283	\$ 108,088	\$ 94,150
Contract Staff	\$ 103,774	\$ 87,017	\$ 80,978	\$ 78,998	\$ 115,500
CalPERS Retirement + Pension Debt	\$ 598,965	\$ 651,118	\$ 653,508	\$ 546,759	\$ 694,075
Health Insurance	\$ 450,886	\$ 417,423	\$ 497,309	\$ 504,161	\$ 623,038
Other Personnel Costs	\$ 422,834	\$ 412,980	\$ 394,246	\$ 489,490	\$ 509,823
Total Salary & Benefits	\$ 4,015,914	\$ 4,064,600	\$ 4,064,476	\$ 4,239,467	\$ 4,698,958



Position Counts by Department	FY20/21 actuals	FY21/22 actuals	FY22/23 actuals	FY23/24 estimate	FY24/25 budget*
General Administration	4	4	4	4	4
Planning & Building	5	5	5	5	5
Police Department	5	6	6	6	7 **
Public Works	5	5	5	5	5
TOTAL	19	20	20	20	21

* Budgeted amounts represent highest possible earnings in each position and category, therefore budgeted amounts appear to increase at a greater rate than actual amounts.

** Including one deferred FTE position.

Operating Expenditures

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General Administration
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
4000	Regular Salaries	629,594	587,071	632,130
4010	Temp & Part Time Employees	1,350	0	1,350
4030	Sick Leave Conversion	27,308	12,097	27,735
4090	Auto Allowance	8,604	8,383	8,604
4091	Deferred Comp	8,880	8,177	8,880
4092	Technology Allowance	0	0	0
4095	Longevity Pay	0	0	0
	PERSONNEL	675,736	615,728	678,698
4100	Insurance Benefits	119,838	88,729	98,110
4110	PERS	58,352	59,883	66,177
4114	PARS	0	0	0
4121	Workers' Comp	27,372	27,292	21,113
4130	FICA/Medicare	9,128	8,912	9,355
	FRINGE BENEFITS	214,690	184,816	194,755
5010	Financial Services	66,200	57,489	66,200
5012	Legal Services	150,000	166,403	150,000
5013	Interim	0	0	0
5015	IT Support	35,132	30,227	35,132
5016	Software Maintenance	26,109	33,233	26,109
5017	Upgrade of City Website & Logo	42,000	18,912	0
5065	Coyote Mitigation	25,000	5,700	4,000
5990	Other Contract/Outside Services	95,694	63,750	85,694
	OUTSIDE SERVICES	440,135	375,713	367,135
6000	Communications & Alarms	6,523	9,806	6,523
6020	Power - Gas & Electric	2,200	4,998	5,498
	UTILITIES	8,723	14,804	12,021
6125	Elections	3,404	0	3,404
6150	Membership & Dues	4,916	8,435	4,916
6160	Notices & Ads	5,509	4,152	5,509
6170	Confs, Meetings, Training	13,500	9,777	13,500
6180	Vehicle/Equipment Leases	4,183	4,935	4,183
6990	Other Operating Expenses	70,000	4,364	70,000
	OPERATIONS	101,512	31,662	101,512
7000	Office Supplies	11,526	5,942	11,526
7030	Printing & Reproduction	2,740	4,115	4,238
	MATERIALS AND SUPPLIES	14,266	10,056	15,764
TOTAL GENERAL ADMINISTRATION		1,455,062	1,232,778	1,369,885

Planning Building
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

<u>Account</u>	<u>Item</u>	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
4000	Regular Salaries	645,411	630,035	651,644
4010	Temp & Part Time Employee	0	0	0
4020	Overtime	1,800	3,376	1,800
4030	Sick Leave Conversion	33,250	15,387	33,797
4090	Auto Allowance	7,200	7,015	7,200
4091	Deferred Comp	11,100	10,815	11,100
4095	Longevity Pay	9,917	13,507	19,368
	PERSONNEL	708,678	680,133	724,909
4100	Insurance Benefits	115,504	102,629	115,747
4110	PERS	80,603	71,791	90,417
4114	PARS	5,440	7,658	7,658
4121	Workers' Comp	28,051	26,418	21,765
4130	FICA/Medicare	9,551	11,163	10,049
	FRINGE BENEFITS	239,149	219,660	245,636
5012	Legal Services	75,000	255,795	75,000
5015	IT Support	24,523	24,618	24,523
5016	Software Maintenance	10,398	7,817	10,398
5101	Plan Review Services-Building Dept	28,998	56,376	34,000
5990	Other Contract/Outside Services	335,000	285,246	250,000
	OUTSIDE SERVICES	473,919	629,852	393,921
6000	Communications & Alarms	6,445	11,372	6,445
6020	Power - Gas & Electric	7,103	9,726	11,671
	UTILITIES	13,548	21,098	18,116
6150	Membership & Dues	2,954	240	2,954
6160	Notices & Ads	6,510	5,891	6,510
6170	Confs, Meetings, Training	15,000	2,724	15,000
6180	Vehicle/Equipment Leases	4,794	4,170	4,794
	OPERATIONS	29,258	13,025	29,258
7000	Office Supplies	12,361	6,522	8,000
7030	Printing & Reproduction	10,296	5,817	10,296
	MATERIALS AND SUPPLIES	22,657	12,339	18,296
	TOTAL PLANNING & BUILDING	1,487,209	1,576,106	1,430,136

Police
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
4000	Regular Salaries	787,999	763,451	786,468
4010	Temp & Part Time Employees	30,000	13,199	30,000
4020	Overtime	60,000	91,513	60,000
4030	Sick Leave Conversion	34,798	13,959	36,398
4040	Holiday Pay	36,884	43,077	36,740
4060	Educational Incentive	23,631	26,437	20,558
4070	Graveyard Shift Pay	36,724	17,444	36,248
4080	Field Training Pay	1,000	2,495	1,000
4090	Auto Allowance	2,400	2,339	0
4091	Deferred Comp	13,320	15,335	13,820
4095	Longevity Pay	6,386	6,184	0
	PERSONNEL	1,033,142	995,432	1,021,232
4100	Insurance Benefits	115,000	117,637	153,225
4110	PERS	127,860	117,949	131,489
4111	Post Retirement Health Benefits	9,000	8,900	9,500
4114	PARS	2,720	3,829	0
4121	Workers' Comp	48,274	77,411	42,434
4130	FICA/Medicare	12,788	17,172	14,789
4140	Uniform Allowance	5,520	6,288	5,520
	FRINGE BENEFITS	321,162	349,186	356,957
5015	IT Support	30,650	19,634	30,650
5016	Software Maintenance	12,000	5,375	12,000
5080	Emergency Preparedness Services	34,995	34,995	34,995
5210	Police Dispatch	76,535	83,757	84,957
5220	Major Crimes Task Force	19,102	19,102	19,102
5242	Reports & Records Automation	14,259	14,300	14,259
5250	Marin Emergency Radio Authority	31,320	37,254	31,320
5266	Marin Information & Date Access System	1,883	1,883	1,883
5267	Mobile Data Maintenance Agreement	5,934	4,540	4,540
5990	Other Contract/Outside Services	27,810	54,971	27,810
	OUTSIDE SERVICES	254,488	275,809	261,516
6000	Communications & Alarms	13,969	17,118	13,969
6020	Power - Gas & Electric	2,673	4,299	4,729
	UTILITIES	16,642	21,417	18,698
6150	Membership & Dues	3,548	3,413	3,548
6170	Confs, Meetings, Training	13,500	3,039	13,500

Police
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
6175	Training (POST) Reimb	10,000	675	10,000
6176	Interoperability Law Enforcement Functns	8,232	6,993	8,232
6180	Vehicle/Equipment Leases	2,747	2,315	2,747
6191	Vehicle Maintenance	11,139	4,200	11,139
	OPERATIONS	49,166	20,634	49,166
7000	Office Supplies	11,683	7,262	11,683
7005	Public Outreach	3,000	2,535	3,000
7050	Ammunition & Weapons	4,054	3,692	4,054
7080	Gas & Oil Supplies	17,129	12,341	17,129
7090	Protective Clothing/Safety	2,060	6,879	2,060
	MATERIALS AND SUPPLIES	37,926	32,708	37,926
TOTAL POLICE		1,712,526	1,695,185	1,745,494

Public Works
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

<u>Account</u>	<u>Item</u>	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
4000	Regular Salaries	584,854	531,415	592,131
4020	Overtime	1,000	0	1,000
4030	Sick Leave Conversion	29,082	7,916	25,581
4090	Auto Allowance	3,600	0	3,600
4091	Deferred Comp	11,100	9,904	11,100
4095	Longevity Pay	7,527	4,971	2,270
	PERSONNEL	637,163	554,205	635,681
4100	Insurance Benefits	174,593	153,012	210,009
4110	PERS	62,763	48,969	71,627
4114	PARS	2,720	3,829	3,829
4121	Workers' Comp	25,488	25,584	19,777
4130	FICA/Medicare	8,607	8,861	8,801
4140	Uniform Allowance	600	600	600
	FRINGE BENEFITS	274,171	240,254	314,643
5015	IT Support	20,978	17,531	20,978
5016	Software Maintenance	6,145	2,315	6,145
5250	Marin Emergency Radio Authority	9,925	11,576	9,925
5301	City Engineer	50,000	2,003	35,000
5320	Drainage Maintenance	25,000	30,376	25,000
5321	Silt Removal	15,000	11,776	15,000
5322	Videotaping	3,278	0	3,278
5335	Annual Vegetation Maintenance	66,373	80,640	82,000
5350	Street Trees (Outside)	75,000	44,633	75,000
5360	Poison Oak Control	1,500	0	1,500
5370	Marinmap Membership Fee	6,000	9,000	6,000
5980	Janitorial Contract Services	14,573	11,685	14,573
5990	Other Contract/Outside Services	21,943	11,889	21,943
	OUTSIDE SERVICES	315,715	233,422	316,342
6000	Communications & Alarms	12,704	16,715	12,704
6020	Power - Gas & Electric	11,632	17,096	18,805
6030	Power - Street Lights	13,394	19,139	21,052
6040	Power - Traffic Signal	792	0	0
6050	Water	19,188	21,785	19,188
	UTILITIES	57,710	74,733	71,749

Public Works
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

<u>Account</u>	<u>Item</u>	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
6131	Equipment Maintenance	15,914	3,839	13,500
6150	Membership & Dues	7,403	11,147	8,000
6170	Confs, Meetings, Training	5,000	5,744	5,000
6180	Vehicle/Equipment Leases	5,330	4,170	5,330
6191	Vehicle Maintenance	7,268	2,138	7,268
6200	Building Maintenance	16,000	14,304	16,000
6210	Irrigation Sys Maintenance	14,000	5,061	12,500
6220	Street Light Maintenance	4,371	4,596	4,371
6230	Permits	15,914	13,227	15,914
6240	Street Sweep - In-House	50,000	16,131	50,000
	OPERATIONS	141,200	80,355	137,883
7000	Office Supplies	5,760	2,897	4,000
7080	Gas & Oil Supplies	10,000	7,404	10,000
7090	Protective Clothing/Safety	4,421	4,808	4,421
7100	Construction Supplies	1,140	225	2,500
7110	Janitorial Supplies	2,000	2,435	2,000
7120	Park & Landscape Supplies	11,000	2,903	11,000
7140	Small Tools	2,186	2,363	2,186
7150	Traffic Control Supplies	2,758	158	2,758
7190	Other Materials & Supplies	10,347	14,013	10,347
	MATERIALS AND SUPPLIES	49,612	37,203	49,212
TOTAL PUBLIC WORKS		1,475,872	1,220,472	1,525,511

Recreation (The Ranch)
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
5980	Janitorial Contract Services	6,579	5,757	5,987
5982	Recreation Facility Contribution	39,762	39,762	40,000
5990	Other Contract/Outside Services	1,093	1,000	1,093
	OUTSIDE SERVICES	47,434	46,519	47,080
6020	Power - Gas & Electric	5,321	5,535	5,853
	UTILITIES	5,321	5,535	5,853
6140	Insurance	6,287	6,376	6,695
6200	Building Maintenance	6,047	3,836	6,047
	OPERATIONS	12,334	10,212	12,742
7110	Janitorial Supplies	2,652	0	2,652
7190	Other Materials & Supplies	530	0	530
	MATERIALS AND SUPPLIES	3,182	0	3,182
TOTAL RECREATION		68,271	62,266	68,857

Non-Departmental
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
4100	Insurance Benefits	43,462	42,153	45,947
4110	PERS	5,498	5,499	86,406
4114	PARS	21,759	30,133	30,633
	RETIREE FRINGE BENEFITS	70,719	77,785	162,986
5020	Richardson Bay Reg Agency	125,712	125,713	129,484
5030	Hazardous Material Response	902	937	937
5040	Animal Control JPA	28,775	29,088	30,397
5050	Congestion Mgmt Plan	5,611	5,611	5,723
5061	Homeward Bound of Marin	2,000	2,000	2,000
5062	Countywide Community Homeless Fund	9,186	9,186	9,186
5071	Marin General Services Agency	7,713	5,358	5,599
5082	MCCMC Lobbyist	4,000	4,000	4,000
5083	Tiburon Peninsula Traffic Relief JPA	36,000	36,000	12,000
XXXX	Martha Property Contribution	0	0	125,000
5091	LAFCO	4,001	4,024	4,145
	OUTSIDE SERVICES	223,900	221,917	328,471
6120	Community Activities	36,050	28,600	36,050
6122	Concerts in the Park	42,000	13,638	42,000
6140	Insurance	322,269	317,213	297,624
	OPERATIONS	400,319	359,451	375,674
TOTAL NON DEPARTMENTAL		694,938	659,153	867,132

Restricted Funds - Operating
Expenditure Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
5400	TFPD Contact	2,148,330	2,148,330	2,401,907
5410	Fire System Parts & Supplies	2,600	2,538	2,600
	FIRE FUND EXPENSES	2,150,930	2,150,868	2,404,507
2410	Pension-Related Debt	240,722	240,972	247,961
8040	Legal Damages/Settlements	200,000	200,000	200,000
	OTHER RESTRICTED FUNDS	440,722	440,972	447,961

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Capital Expenditures

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Capital Improvements
Sources of Funds

		Source of Funds						
		General Fund Transfer	Prop 68 Grant	Road Impact	Gas Tax	Transp Authority Marin	Co Parks	Equipment
Capital Funds Beginning Balances						36,412	-	-
Current Year Capital Revenue	340,843		68,000	153,843	60,000	40,000	19,000	1,000
PROJECTS	Total Project \$							
CAPITAL PROJECTS:								
Spot Surface Repairs	45,000	-		5,000	40,000			
Paving	320,000	151,157		148,843	20,000			
Wooden Retaining Walls	20,000	20,000						
Retaining Wall Project - Repairs	172,500	172,500						
Corrugated Metal Pipe Replacement	40,000	40,000						
Emergency Drainage Repairs	10,000	10,000						
Storm Drain System - Assessment	30,000	30,000						
Beach Road Stabilization Project	205,000	205,000						
Lane Maintenance/Minor Repairs	15,000	-				15,000		
Lane Design & Engineering	20,000	-				20,000		
San Rafael Ave Seawall Landscape Mulch	10,000	10,000						
Tennis Courts - Repair and Refurbish	25,000	6,000					19,000	
Selected Painting of City Hall and Community Center	10,000	10,000						
Refinish Wood Floors in Chamber	5,000	5,000						
CC Kitchen Remodel	65,000	65,000						
Miscellaneous Maintenance & Improvements	25,000	25,000						
Traffic Engineering Study	18,000	18,000						
EQUIPMENT REPLACEMENTS:								
Equipment Replacements	111,100	110,100						1,000
Total Project Expenses	1,146,600	877,757	-	153,843	60,000	35,000	19,000	1,000
Remaining Capital Fund Balance Carry-forward	73,000		68,000	-	-	5,000	-	-

Capital
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
9000	Spot Surface Repairs	50,000	50,000	45,000
9001	Paving	320,804	320,804	320,000
	STREET IMPROVEMENTS	370,804	370,804	365,000
9050	Guardrail Installation and Repairs	15,000	15,000	0
9055	Wooden Retaining Walls	37,000	37,000	20,000
9086	Retaining Wall Project - Repairs	0	0	172,500
9099	Corrugated Metal Pipe Replacement	15,000	15,000	40,000
9100	Emergency Drainage Repairs	10,961	10,961	10,000
9511	Lagoon Rd Flood Mitigation & Pedestrian Improvements	130,660	130,660	0
9513	Levee Evaluation	80,635	100,222	0
XXXX	Storm Drain System - Assessment	0	0	30,000
XXXX	Storm Drain System - Repairs/Upgrades	0	0	0
XXXX	Beach Road Stabilization Project	0	0	205,000
	INFRASTRUCTURE	328,873	348,460	477,500
9211	Harry B. Allen Step Repair	49,000	49,000	0
9216	Park Lane Stair and Seating Area	38,623	38,623	0
9217	Hawthorn Lane Stair Rebuild	45,000	45,000	0
9228	Lane Maintenance/Minor Repairs	45,085	45,085	15,000
9229	Lane Design & Engineering	20,000	20,000	20,000
	LANES	197,708	197,708	35,000
9335	San Rafael Ave Seawall DG Path Restoration	30,000	30,000	0
9350	Community Park Basketball Courts - Repair & Refurbish	8,724	11,575	0
9359	Refurbish Steel Railings	0	0	0
9360	Prop 68 Grant - Open Space Improvement Project	85,000	85,000	0
9361	Vegetation/Fire Fuel Reduction - Various Locations	50,000	50,000	0
9357	Playground Renovation	19,813	19,813	0
9358	San Rafael Ave Seawall Landscape Mulch	3,960	4,038	10,000
9527	Community Park Water Well	19,000	19,000	0
XXXX	Tennis Courts - Repair and Refurbish	0	0	25,000
	PARKS AND OPEN SPACE	216,497	219,426	35,000
9434	Install EV Charging Station at City Hall	21,905	21,905	0
9435	City Hall Foundation Drainage Repairs	25,000	25,000	0
9436	Solar Electric and EV Charging Stations near Corp Yard	103,187	103,187	0
9437	CC Founder's Room Furniture Replacement	30,000	30,000	0
9450	Selected Painting of City Hall and Community Center	5,225	5,225	10,000
9451	Misc. Exterior Painting-Corp Yard Building	10,000	10,000	0
9492	City Hall Renovations	25,000	25,000	0
9509	City Hall ADA	27,156	27,156	0
XXXX	Refinish Wood Floors in Chamber	0	0	5,000
XXXX	CC Kitchen Remodel	0	0	65,000
	COMMUNITY BUILDINGS	247,473	247,473	80,000

Capital
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
9582	Miscellaneous Maintenance & Improvements	21,498	21,498	25,000
9585	Sidewalk Repair Program	73,215	73,215	0
9586	Retaining Curbs	0	0	0
9587	San Rafael Ave and City Hall Safety Improvements	331,045	10,000	0
9588	Evacuation Assessment and Radio Purchase	53,730	53,730	0
XXXX	Traffic Engineering Study	0	0	18,000
	MISCELLANEOUS	479,488	158,443	43,000
9590	Undergrounding - Other Expenses	45,519	45,519	0
	UTILITY UNDERGROUNDING	45,519	45,519	0
TOTAL CAPITAL		1,886,362	1,587,833	1,035,500

Restricted Funds - Capital
Expenditure Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

Account	Item	FY24 Budget	FY24 Estimated Actuals	FY25 Recommended Budget
8090	Equipment Replacements	35,000	35,000	111,100
	OTHER RESTRICTED FUNDS	35,000	35,000	111,100

Five Year Capital Expenditure Plan

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

BUDGET ITEM	Estimated FY23/24 Roll-over	Year 1 FY24/25	Year 2 FY25/26	Year 3 FY26/27	Year 4 FY27/28	Year 5 FY28/29
STREET IMPROVEMENTS						
Pavement Spot Repairs	-	45,000	45,000	40,000	45,000	45,000
Street Improvement Program	-	320,000	350,000	350,000	320,000	340,000
Total Street Improvements	-	365,000	395,000	390,000	365,000	385,000
INFRASTRUCTURE						
Guardrail Installation and Repairs	15,000		15,000	-	-	-
Wooden Retaining Walls	37,000	20,000	-	-	-	-
Retaining Walls Project - Evaluation	5,000	-	25,000	-	-	-
Retaining Wall Project - Repairs	-	172,500	-	30,000	-	-
Corrugated Metal Pipe Replacement	9,900	40,000	-	-	-	-
Emergency Drainage Repairs	-	10,000	10,000	10,000	10,000	10,000
Lagoon Rd Flood Mitigation & Pedestrian Improvements	130,125	-	-	-	-	-
Levee Evaluation	-	-	-	-	-	-
Storm Drain System - Assessment	-	30,000	-	-	-	-
Storm Drain System - Repairs/Upgrades	-	-	25,000	-	-	-
Beach Road Stabilization Project	-	205,000	85,000	1,910,000	-	-
Total Infrastructure	197,025	477,500	160,000	1,950,000	10,000	10,000
LANES						
Harry B. Allen Step Repair	49,000	-	46,000	-	-	-
Park Lane Stair and Seating Area	38,623	-	-	-	-	-
Hawthorn Lane Stair Rebuild	45,000	-	-	-	-	-
Lane Maintenance/Minor Repairs	25,000	20,000	20,000	20,000	10,000	10,000
Lane Design & Engineering	-	15,000	15,000	15,000	15,000	15,000
Total Lanes	157,623	35,000	81,000	35,000	25,000	25,000

Five Year Capital Expenditure Plan

City of Belvedere
Operating and Capital Budget
Fiscal Year 2024/2025

BUDGET ITEM	Estimated FY23/24 Roll-over	Year 1 FY24/25	Year 2 FY25/26	Year 3 FY26/27	Year 4 FY27/28	Year 5 FY28/29
PARKS AND OPEN SPACE						
San Rafael Ave Seawall DG Path Restoration	-	-	-	-	-	-
Community Park Basketball Courts - Repair & Refurbish	-	-	-	-	19,000	-
Refurbish Steel Railings	-	-	10,000	-	-	-
Prop 68 Grant - Open Space Improvement Project	85,000	-	-	-	-	-
Vegetation/Fire Fuel Reduction - Various Locations	-	-	-	-	-	-
Playground Renovation	9,463	-	-	-	-	-
San Rafael Ave Seawall Landscape Mulch	-	10,000	-	10,000	-	10,000
Community Park Water Well	19,000	-	-	-	-	-
Tennis Courts - Repair and Refurbish	-	25,000	-	-	-	-
Total Parks & Open Space	113,463	35,000	10,000	10,000	19,000	10,000
COMMUNITY BUILDINGS						
Install EV Charging Station at City Hall	16,785	-	-	-	-	-
City Hall Foundation Drainage Repairs	25,000	-	-	-	-	-
Solar Electric and EV Charging Stations near Corp Yard	103,187	-	-	-	-	-
CC Founder's Room Furniture Replacement	-	-	-	-	-	-
Selected Painting of City Hall and Community Center	5,225	10,000	-	10,000	-	10,000
Police Department Office Renovations	-	-	-	-	10,000	-
Misc. Exterior Painting-Corp Yard Building	-	-	-	-	-	10,000
City Hall Renovations	-	-	-	-	-	-
City Hall ADA	27,156	-	12,000	-	-	-
Refinish Wood Floors in Chamber	-	5,000	-	-	-	5,000
CC Kitchen Remodel	-	65,000	-	-	-	-
Total Community Buildings	177,353	80,000	12,000	10,000	10,000	25,000
MISCELLANEOUS						
Miscellaneous Maintenance & Improvements	10,000	25,000	25,000	25,000	25,000	25,000
Sidewalk Repair Program	25,000	-	25,000	-	25,000	-
Retaining Curbs	-	-	25,000	-	25,000	-
Evacuation Assessment and Radio Purchase	53,730	-	-	-	-	-
Traffic Engineering Study	-	18,000	-	-	-	-
Total Miscellaneous	88,730	43,000	75,000	25,000	75,000	25,000
TOTALS	734,194	1,035,500	733,000	2,420,000	504,000	480,000

CIP PROJECT ANTICIPATED TIMELINES

X	Project Completion
	Prior FY Projects
	FY 2023-24
	FY 2024-25
	Ongoing CIP

Project		FY22/23	FY23/24			FY24/25		FY25/26			
FY 22-23		Spring 23	Summer 23	Fall 23	Winter 23/24	Spring 24	Summer 24	Fall 24	Winter 24/25	Spring 25	Summer 25
9085	Retaining Walls Project - Evaluation, Phase I	X									
9099	Corrugated Metal Pipe Replacement		X								
9216	Park Lane Stair and Seating Area										
9217	Hawthorn Lane Stair Rebuild										
9350	Community Park Courts - Repair & Refurbish		X								
9358	San Rafael Avenue Seawall Landscape Mulch		X								
9434	Installation of EV Charging Stations at City Hall		X								
9450	Selected Painting of City Hall and Community Center		X								
9494	Refurbish Council Chambers Audience Chairs	X									
9509	City Hall ADA*										
9511	Lagoon Rd Flood Mitigation & Ped. Improvements										
9513	Levee Evaluation, including BSUP EIR			X							
9527	Community Park Water Well										
9583	Golden Gate/Belvedere Utility Underground District	X									
9584	Lower Golden Gate Utility Undergrounding Redesign	X									
9587	San Rafael Avenue and City Hall Safety Improvements				X						
9590	Undergrounding - Other Expenses		X								
9591	Lower Golden Gate UUD 20A Credit Option	X									
FY 23-24											
9050	Guardrail Installation and Repairs										
9055	Wooden Retaining Walls										
9085	Retaining Walls Project - Evaluation, Phase II										
9211	Hary B. Allen Step Repair										
9335	San Rafael Ave Seawall DG Path Restoration					X					
9361	Vegetation/Fire Fuel Reduction - Various Locations			X							
9437	CC. Founder's Room Heating/Cooling Upgrade, Furniture Replacement										
9451	Misc. Exterior Painting-Corp Yard Building						X				
9492	City Hall Renovations*										
FY 24-25											
9055	Wooden Retaining Walls										
9099	Corrugated Metal Pipe Replacement										
9358	San Rafael Avenue Seawall Landscape Mulch										
9450	Selected Painting of City Hall and Community Center										
9492	Retaining Walls Project - Repairs										
XXXX	Storm Drain System Survey and Assessment										
XXXX	Beach Road Stabilization Project										
XXXX	Tennis Courts - Repair and Refurbish										
XXXX	Refinish Floors in Council Chambers										
XXXX	Traffic Engineering Study										
ONGOING ANNUAL CIP PROJECTS/PROGRAMS											
9288	Lane Maintenance/Minor Repairs										
9229	Lane Design/Engineering										
9582	Misc. Maintenance & Improvements										
9100	Emergency Drainage Repairs										
9585	Sidewalk Repair Program (Phase 2)										
9000	Pavement Spot Repairs (current project)										
9001	Street Improvement Program (current project)										

* City Hall ADA project (9509) anticipated to run concurrent with City Hall Renovations (9492)

City of Belvedere
Capital Improvement Projects

Category: STREETS
Project: Street Improvement Program
Description: Fees collected from Road Impact are used to repair large areas of distressed asphalt and maintain Belvedere roads with the aim of improving the City's overall Pavement Condition Index (PCI). Crack sealing, slurry seal treatments, grind and overlay, traffic marking, roadway shoulder berms, pedestrian and cyclist improvements and other road stabilization projects fall under this program.



Projected Timing:
Start Date: Spring 2020
End Date (Estimated): Ongoing

Total Budgeted Cost:	Budgeted	Projected				Total
	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	
Planning & Design:	\$ 15,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 95,000
Insp & Admin:	STAFF	STAFF	STAFF	STAFF	STAFF	\$ -
Construction:	\$ 305,000	\$ 330,000	\$ 330,000	\$ 280,000	\$ 280,000	\$ 1,525,000
Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	\$ 320,000	\$ 350,000	\$ 350,000	\$ 300,000	\$ 300,000	\$ 1,620,000

Expenditures by Funding Source:	Budgeted
	FY 24/25
General Fund Transfer	\$ 151,157
Gas Tax	\$ 20,000
Road Impact Fees	\$ 148,843
Total	\$ 320,000

City of Belvedere
Capital Improvement Projects

Category: INFRASTRUCTURE
Project: Retaining Wall Repair/Replacement
Description: Retaining walls are necessary where roads have been cut into steep hillsides, to prevent steep slopes from collapsing onto roadways. The concrete retaining wall opposite 172 Beach Road has horizontal cracks with upper portions of the wall toppling over the lower sections. The City proposes to further investigate the geotechnical risks of the site and follow recommendations to repair or replace the wall.



Projected Timing:
Start Date: Summer 2024
End Date (Estimated): Summer 2025

Total Budgeted Cost:	Budgeted	Projected				Total
	FY 24/25	FY 24/25	FY 25/26	FY 26/27	FY 27/28	
Engineering & Design:	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000
Insp & Admin:	\$ 10,500	\$ -	\$ -	\$ -	\$ -	\$ 10,500
Construction:	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	\$ 172,500	\$ -	\$ -	\$ -	\$ -	\$ 172,500

Expenditures by Funding Source:	Budgeted
	FY 24/25
General Fund Transfer	\$ 172,500
Total	\$ 172,500

City of Belvedere
Capital Improvement Projects

Category: Critical Infrastructure
Project: Beach Road Stabilization Project
Description: Due to erosion the Beach Road seawall is losing its ability to support the Beach Road and sidewalk. Three locations have been identified where repairs are needed. The City proposes to undertake a single project to install sheet pilings at these locations which would restore structural support for daily usage as well as provide seismic support. The project would be funded over the course of three years, with the bulk of funding allocated in the third year for completion of the project. The allocation for the first year includes an analysis and possible mitigation of corrosion of the existing sheet pile wall, along with permitting, engineering and design costs for the three repair sites.

Projected Timing:
Start Date: Summer 2024
End Date (Estimated): TBD

Total Budgeted Cost:	Budgeted	Projected				Total
	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	
Engineering, Design, Permits:	\$ 100,000	\$ 85,000	\$ 25,000	\$ -	\$ -	\$ 210,000
Insp & Admin:	\$ 5,000	\$ -	\$ 246,000	\$ -	\$ -	\$ 251,000
Construction:	\$ 100,000	\$ -	\$ 1,639,000	\$ -	\$ -	\$ 1,739,000
Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	\$ 205,000	\$ 85,000	\$ 1,910,000	\$ -	\$ -	\$ 2,200,000

Expenditures by Funding Source:	Budgeted
	FY 24/25
General Fund Transfer	\$ 205,000
Total	\$ 205,000

**City of Belvedere
 Capital Improvement Projects**

Category: LANES
Project: Various Lanes Maintenance and Improvements
Description: This includes general lane maintenance and repairs (9228), Design and Engineering (9229), and identified repairs and improvement projects on Harry B. Allen Stairs (9211), Park Lane (9216) and Hawthorne Lane (9217).



Projected Timing:

Start Date: Ongoing
End Date (Estimated): Ongoing

Total Budgeted Cost:	Budgeted	Projected				Total
	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	
Maintenance, minor repairs:	\$ 20,000	\$ 20,000	\$ 20,000	\$ 10,000	\$ 10,000	\$ 80,000
Design, engineering:	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Harry B. Allen Stairs	\$ -	\$ 46,000	\$ -	\$ -	\$ -	\$ -
Park Lane	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hawthorne Lane	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	\$ 35,000	\$ 81,000	\$ 35,000	\$ 25,000	\$ 25,000	\$ 95,000

Expenditures by Funding Source:	Budgeted FY 24/25
TAM Measure A/AA Funds	\$ 40,000
Total	\$ 40,000

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Five Year Forecast

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Five Year Revenue and Expenditure Projections
 FY24/25 to FY28/29

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

REVENUES					
FUND/ACTIVITY	FY24/25 PROPOSED BUDGET	FY25/26 Projections	FY26/27 Projections	FY27/28 Projections	FY28/29 Projections
GENERAL FUND					
Property Taxes:	\$7,503,402	\$7,841,055	\$8,193,903	\$8,562,628	\$8,947,946
Local Non-Property Taxes:	383,355	400,606	418,633	437,471	457,158
Licenses & Permits:	550,905	575,696	601,602	628,675	656,965
Fines & Forfeitures:	2,500	2,500	2,500	2,500	2,500
Investments & Property:	198,787	198,787	198,787	198,787	198,787
Revenue From Other Agencies:	172,334	179,227	186,396	193,852	201,606
Service Charges:	355,144	369,350	384,124	399,489	415,468
Miscellaneous Other Revenue:	52,000	54,080	56,243	58,493	60,833
TOTAL GENERAL FUND REVENUE	9,218,427	9,621,301	10,042,188	10,481,895	10,941,263
<i>% Change over prior year</i>	<i>7.4%</i>	<i>4.4%</i>	<i>4.4%</i>	<i>4.4%</i>	<i>4.4%</i>
FIRE FUND	1,129,736	1,174,925	1,227,797	1,283,048	1,340,785
<i>% Change over prior year</i>	<i>3.0%</i>	<i>4.0%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>
CAPITAL IMPROVEMENT FUND	144,412	79,660	83,045	86,574	90,254
<i>% Change over prior year</i>	<i>-15.7%</i>	<i>-44.8%</i>	<i>4.3%</i>	<i>4.2%</i>	<i>4.2%</i>
ROAD IMPACT FEE FUND	213,843	223,466	233,522	244,031	255,012
<i>% Change over prior year</i>	<i>-14.3%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>
EQUIPMENT REPLACEMENT FUND	1,000	1,000	1,000	1,000	1,000
<i>% Change over prior year</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
MEASURE A (Parks) FUND	19,714	20,601	21,528	22,497	23,509
<i>% Change over prior year</i>	<i>0.0%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>
TOTAL REVENUE - ALL FUNDS	\$10,727,131	\$11,120,953	\$11,609,081	\$12,119,045	\$12,651,824
<i>% Change over prior year</i>	<i>6.0%</i>	<i>3.7%</i>	<i>4.4%</i>	<i>4.4%</i>	<i>4.4%</i>

Five Year Revenue and Expenditure Projections
 FY24/25 to FY28/29

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

EXPENDITURES					
	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
FUND/ACTIVITY	PROPOSED BUDGET	Projections	Projections	Projections	Projections
GENERAL FUND					
General Administration	\$1,369,885	\$1,420,984	\$1,474,850	\$1,530,522	\$1,588,148
Planning & Building	1,430,136	1,457,469	1,512,330	1,568,944	1,627,475
Police	1,745,494	1,791,089	1,856,002	1,922,829	1,991,771
Public Works	1,525,511	1,583,219	1,644,061	1,706,934	1,772,016
Recreation (The Ranch)	68,857	68,857	68,857	68,857	68,857
Non-Departmental	867,132	798,480	851,914	904,688	958,441
TOTAL GENERAL FUND EXPENDITURES	7,007,015	7,120,097	7,408,014	7,702,774	8,006,709
<i>% Change over prior year</i>	1.6%	1.6%	4.0%	4.0%	3.9%
TFPD Contract	2,401,907	2,482,613	2,668,809	2,868,970	3,084,142
Operations	2,600	3,000	3,000	3,000	3,000
FIRE FUND	2,404,507	2,485,613	2,671,809	2,871,970	3,087,142
<i>% Change over prior year</i>	11.8%	3.4%	7.5%	7.5%	7.5%
CAPITAL IMPROVEMENT FUND	647,500	362,399	2,048,472	161,503	116,491
<i>% Change over prior year</i>	-55.3%	-44.0%	465.3%	-92.1%	-27.9%
ROAD IMPACT FEE FUND	365,000	350,000	350,000	320,000	340,000
<i>% Change over prior year</i>	-1.6%	-4.1%	0.0%	-8.6%	6.3%
MEASURE A (PARKS) FUND	23,000	20,601	21,528	22,497	23,509
<i>% Change over prior year</i>	-66.3%	-10.4%	4.5%	4.5%	4.5%
EQUIPMENT REPLACEMENT FUND	111,100	140,000	30,000	130,000	30,000
<i>% Change over prior year</i>	217.4%	26.0%	-78.6%	333.3%	-76.9%
PENSION-RELATED DEBT OBLIGATION FUND	247,961	240,695	237,417	250,023	240,311
<i>% Change over prior year</i>	3.0%	-2.9%	-1.4%	5.3%	-3.9%
INSURANCE RESERVE FUND	200,000	0	0	0	0
<i>% Change over prior year</i>	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL EXPENDITURES - ALL FUNDS	\$11,006,084	\$10,719,405	\$12,767,240	\$11,458,767	\$11,844,162
<i>% Change over prior year</i>	3.2%	-2.6%	19.1%	-10.2%	3.4%
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(278,953)	401,547	(1,158,159)	660,278	807,661
<i>% Change over prior year</i>	-78.3%	-243.9%	-388.4%	-157.0%	22.3%

Five Year Revenue and Expenditure Projections
 FY24/25 to FY28/29

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

GENERAL FUND RESERVE PROJECTIONS					
	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29
	PROPOSED BUDGET	Projections	Projections	Projections	Projections
Prior Year General Fund Balance	\$5,652,235	\$4,445,959	\$4,547,506	\$4,789,347	\$5,024,625
General Fund Revenues	9,218,427	9,621,301	10,042,188	10,481,895	10,941,263
General Fund Expenditures	(7,007,015)	(7,120,097)	(7,408,014)	(7,702,774)	(8,006,709)
Transfers out of General Fund	(3,417,688)	(2,399,656)	(2,392,333)	(2,543,843)	(2,676,893)
Projected General Fund Balance	4,445,959	4,547,506	4,789,347	5,024,625	5,282,286
General Fund Reserve Calculations					
Projected GF Expenses + Fire Tfr + Debt Svc	\$8,671,480	\$9,089,443	\$9,541,719	\$9,993,377	\$10,499,979
Reserve (50% of Proj GF + Fire + Debt Svc)	4,335,740	4,544,721	4,770,860	4,996,689	5,249,989
Over (Under) Reserve Policy	110,219	2,785	18,488	27,937	32,297
GF Balance as % of Operating Expenses	51%	50%	50%	50%	50%

Fund Balance Summaries

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

FY24/25 Budget

Fund #	Fund Name	Fund Balance 7/1/2024	Revenues	Expenditures	Other Transfers In/(Out)	GF Transfers In/(Out)	Fund Balance 6/30/2025
100	General Fund	5,652,235	9,218,427	(7,007,015)	0	(3,417,688)	4,445,959
130	Fire Fund	0	1,129,736	(2,404,507)	0	1,274,772	0
160	Legal & Insurance Reserve Fund	342,466	0	(200,000)	0	200,000	342,466
115	Pension 115 Trust Fund	2,302,482	0	0	0	300,000	2,602,482
500	Pension-related Debt Obligation Fund	0	0	(247,961)	0	247,961	0
900	Capital Improvement Fund	17,909	204,412	(707,500)	0	485,179	0
901	Road Impact Fee Fund	0	153,843	(305,000)	0	151,157	0
902	Measure A Parks Fund	35,019	19,714	(23,000)	0	0	31,733
903	Critical Infrastructure Fund	1,340,057	0	0	0	650,000	1,990,057
210	Equipment Replacement Fund	1,480	1,000	(111,100)	0	108,620	0
Total City Funds		9,691,648	10,727,132	(11,006,084)	0	0	9,412,697

FY25/26 General Fund Expenses + Fire Transfer + Pension Debt	8,671,480
General Fund Reserve Policy 50%	4,335,740
Projected General Fund Balance 6/30/25	51% 4,445,959
Over (Under) Policy	110,219

Fund Balance Summaries
 FY25/26 Projection (Year 2)

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

Fund #	Fund Name	Fund Balance 7/1/2025	Revenues	Expenditures	Other Transfers In/(Out)	GF Transfers In/(Out)	Fund Balance 6/30/2026
100	General Fund	4,445,959	9,621,301	(7,120,097)	0	(2,399,656)	4,547,506
130	Fire Fund	0	1,174,925	(2,485,613)	0	1,310,688	0
160	Legal & Insurance Reserve Fund	342,466	0	0	0	0	342,466
115	Pension 115 Trust Fund	2,602,482	0	0	0	300,000	2,902,482
500	Pension-related Debt Obligation Fund	0	0	(240,695)	0	240,695	0
900	Capital Improvement Fund	0	79,660	(362,399)	0	282,739	0
901	Road Impact Fee Fund	0	223,466	(350,000)	0	126,534	0
902	Measure A Parks Fund	31,733	20,601	(20,601)	0	0	31,733
903	Critical Infrastructure Fund	1,990,057	0	0	0	0	1,990,057
210	Equipment Replacement Fund	0	1,000	(140,000)	0	139,000	0
Total City Funds		9,412,697	11,120,953	(10,719,405)	0	0	9,814,245

FY26/27 General Fund Expenses + Fire Transfer + Pension Debt	9,089,443
General Fund Reserve Policy 50%	4,544,721
Projected General Fund Balance 6/30/26	50% 4,547,506
Over (Under) Policy	2,785

Fund Balance Summaries
 FY26/27 Projection (Year 3)

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

Fund #	Fund Name	Fund Balance 7/1/2026	Revenues	Expenditures	Other Transfers In/(Out)	GF Transfers In/(Out)	Fund Balance 6/30/2027
100	General Fund	4,547,506	10,042,188	(7,408,014)	0	(2,392,333)	4,789,347
130	Fire Fund	0	1,227,797	(2,671,809)	0	1,444,012	0
160	Legal & Insurance Reserve Fund	342,466	0	0	0	0	342,466
115	Pension 115 Trust Fund	2,902,482	0	0	0	300,000	3,202,482
500	Pension-related Debt Obligation Fund	0	0	(237,417)	0	237,417	0
900	Capital Improvement Fund	0	83,045	(2,048,472)	1,700,000	265,427	0
901	Road Impact Fee Fund	0	233,522	(350,000)	0	116,478	0
902	Measure A Parks Fund	31,733	21,528	(21,528)	0		31,733
903	Critical Infrastructure Fund	1,990,057	0	0	(1,700,000)		290,057
210	Equipment Replacement Fund	0	1,000	(30,000)	0	29,000	0
Total City Funds		9,814,245	11,609,081	(12,767,240)	0	(0)	8,656,086

FY27/28 General Fund Expenses + Fire Transfer + Pension Debt	9,541,719
General Fund Reserve Policy 50%	4,770,860
Projected General Fund Balance 6/30/27	50% 4,789,347
Over (Under) Policy	18,488

Fund Balance Summaries
 FY27/28 Projection (Year 4)

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

Fund #	Fund Name	Fund Balance 7/1/2027	Revenues	Expenditures	Other Transfers In/(Out)	GF Transfers In/(Out)	Fund Balance 6/30/2028
100	General Fund	4,789,347	10,481,895	(7,702,774)	0	(2,543,843)	5,024,625
130	Fire Fund	0	1,283,048	(2,871,970)	0	1,588,922	0
160	Legal & Insurance Reserve Fund	342,466	0	0	0	0	342,466
115	Pension 115 Trust Fund	3,202,482	0	0	0	300,000	3,502,482
500	Pension-related Debt Obligation Fund	0	0	(250,023)	0	250,023	0
900	Capital Improvement Fund	0	86,574	(161,503)	0	74,929	0
901	Road Impact Fee Fund	0	244,031	(320,000)	0	75,969	0
902	Measure A Parks Fund	31,733	22,497	(22,497)	0	0	31,733
903	Critical Infrastructure Fund	290,057	0	0	0	125,000	415,057
210	Equipment Replacement Fund	0	1,000	(130,000)	0	129,000	0
Total City Funds		8,656,086	12,119,045	(11,458,767)	0	0	9,316,363

FY28/29 General Fund Expenses + Fire Transfer + Pension Debt	9,993,377
General Fund Reserve Policy 50%	4,996,689
Projected General Fund Balance 6/30/28	50% 5,024,625
Over (Under) Policy	27,937

Fund Balance Summaries
 FY28/29 Projection (Year 5)

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2024/2025

Fund #	Fund Name	Fund Balance 7/1/2028	Revenues	Expenditures	Other Transfers In/(Out)	GF Transfers In/(Out)	Fund Balance 6/30/2029
100	General Fund	5,024,625	10,941,263	(8,006,709)	0	(2,676,893)	5,282,286
130	Fire Fund	0	1,340,785	(3,087,142)		1,746,357	0
160	Legal & Insurance Reserve Fund	342,466	0	0	0	0	342,466
115	Pension 115 Trust Fund	3,502,482	0	0	0	300,000	3,802,482
500	Pension-related Debt Obligation Fund	0	0	(240,311)	0	240,311	0
900	Capital Improvement Fund	0	90,254	(116,491)	0	26,237	0
901	Road Impact Fee Fund	0	255,012	(340,000)	0	84,988	0
902	Measure A Parks Fund	31,733	23,509	(23,509)	0	0	31,733
903	Critical Infrastructure Fund	415,057	0	0	0	250,000	665,057
210	Equipment Replacement Fund	0	1,000	(30,000)		29,000	0
Total City Funds		9,316,363	12,651,823	(11,844,162)	0	0	10,124,025

FY29/30 General Fund Expenses + Fire Transfer + Pension Debt	10,499,979
General Fund Reserve Policy 50%	5,249,989
Projected General Fund Balance 6/30/29	50% 5,282,286
Over (Under) Policy	32,297

Appendix

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APPENDIX

Annual Appropriations Limit

Note – at the time of this report, the FY 2024-25 price and population data were not yet available. This page will be updated for the final budget version in June.

In 1979, California voters approved Proposition 4 (Article XIII-B of the California State Constitution). Informally known as the “Gann Initiative,” Article XIII-B provides limits to the amount of tax proceeds state and local governments can spend each year. In 1980, the State Legislature added Section 9710 of the Government Code stating that the governing body of each City must establish, by resolution, an appropriations limit for the following year. The limit for any fiscal year is equal to the previous year’s limit, adjusted for population changes and the change in the U.S. Consumer Price Index (or California per capital personal income, if smaller). The necessary statistical information is provided by the California Department of Finance.

In 1990, Proposition 111 modified Article XIII-B. A city may choose which annual adjustments to use. The adjustment factors include the growth in the California Per Capita Income or the growth in the nonresidential assessed valuation due to construction within the city, and the population growth within the city or county. The table below illustrates the computation used to derive the FY 2022-23 appropriation limits.

	AMOUNT	SOURCE
A. PRIOR YEAR LIMIT	\$ 3,503,701	
B. ADJUSTMENT FACTORS		
		Greater of City <i>or</i> County
1. Population %	0.9891	population percent increase
2. Inflation%	1.0755	State Finance/Assessor
3. Total Adjustment %	1.0637	(B1*B2)
C. THIS YEAR'S LIMIT		
1. Current year limit calculation	3,726,887	(A*B3)
2. Voter approved additional amt	1,061,453	Fire Tax Assessment
D. TOTAL CURRENT YEAR LIMIT	\$ 4,788,340	(C1+C2)

RESOURCES SUBJECT TO LIMITATION:

PROCEEDS OF TAXES

Property Taxes	\$ 6,750,871
Sales Taxes	122,654
Business Licenses	53,745
HOPTR	21,461
Interest Income Earned from Taxes	13,040

TOTAL SUBJECT TO LIMITATIONS \$ 6,961,771

EXCLUSIONS \$ (2,592,689)

APPROPRIATIONS SUBJECT TO LIMITATION **\$ 4,369,082**

Maximum allowable appropriation subject to limitations 2022-2023 fiscal year:

\$ 4,788,340

Less: Total appropriation subject to limitation for 2022-2023 fiscal year:

(4,369,082)

BALANCE UNDER ARTICLE XIIB LIMIT:

\$ 419,258

POLICY 2.1 – FINANCIAL STRUCTURE

2.1.1 ACCOUNTING SYSTEM AND BUDGETARY CONTROL

In developing and evaluating the City’s accounting systems, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition; and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that: 1) the cost of a specific control should not exceed the benefits likely to be derived; and 2) the evaluation of costs and benefits require estimates and judgments by management. All evaluations of the City’s system of internal control will continue to occur within the above framework. The City’s internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

2.1.2 FUND DESCRIPTIONS

The City’s accounting records are organized and operate on a “fund” basis, which is the basic fiscal accounting entity in governmental accounting. Each fund is designated by fund type and classification:

- Governmental Funds - General, Special Revenue, and Capital Projects
- Proprietary Fund - Internal Service
- Fiduciary Funds - Trust and Agency
- Account Groups - General Fixed Assets and General Long-Term Debt

2.1.3 GOVERNMENTAL FUNDS

Governmental Funds are used to account for the City’s expendable financial resources and related current liabilities, except for those accounted for in proprietary funds. The basic financial statements necessary to fairly present financial position and operating results for governmental funds are the balance sheet and the statement of revenues, expenditures, and changes in fund balance. Governmental funds are maintained using the modified accrual basis of accounting.

- General Fund – The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Expenditures of this fund include the general operating expenses and capital improvement costs which are not paid through other funds.
- Special Revenue Fund – The Special Revenue Funds are used to account for revenues derived from specific sources, which are usually required by law or administrative regulation to be accounted for in a separate fund.
- Capital Improvement Fund – The Capital Improvement Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

2.1.4 PROPRIETARY FUNDS

Generally accepted accounting principles applicable to a private commercial business are applicable to proprietary funds of a governmental entity. The accrual basis of accounting is utilized. The measurement focus is based upon a determination of net income, financial position and cash flows. Accordingly, basic financial statements are required, such as balance sheet, statement of revenues, expenses and changes in retained earnings (deficit), and the statement of cash flows. The City does not have any proprietary funds.

2.1.5 FIDUCIARY FUNDS

Fiduciary Funds are used to account for money and property held by the City as trustee or custodian for individuals, organizations and other governmental units. Fiduciary funds are not incorporated in the City's budget.

2.1.6 ACCOUNT GROUPS

Account Groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt.

- a. General Fixed Assets Account Group – this account group is used to maintain control and cost information on capital assets owned by the City.
- b. General Long-Term Account Group – this account group is used to account for all long-term debt of the City.

POLICY 2.2 – FUND BALANCE AND RESERVE POLICIES

2.2.1 FUND BALANCE – CLASSIFICATIONS

The City has adopted the provisions of GASB Statement No. 54, Fund Balance and Governmental Fund Type Definitions. GASB 54 establishes Fund Balance classifications based largely upon the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Governmental Fund statements conform to this new classification.

The Fund Financial Statements consist of Nonspendable, Restricted, Committed, Assigned and Unassigned amounts as described below:

Nonspendable:

Items that cannot be spent because they are not in spendable form, such as prepaid items, or items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan fund.

Restricted:

Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed:

Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making (normally the governing body) and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City and can commit funds through resolutions.

Assigned:

Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has the authority to assign funds in Belvedere and can assign funds through the budgetary process.

Unassigned:

This category is for any balances that have no restrictions placed upon them. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

2.2.2 FUND RESERVES

The City Council may elect to establish General Fund Reserve Policy/Guidelines. These Policy/Guidelines may be updated, modified and revised as determined by the Council. At the time of adoption of this Finance Policy, there are four such Policies/Guidelines: General Fund Reserve, 115 Pension Trust Reserve, Insurance and Legal Reserve, and Critical Infrastructure Reserve.

A. General Fund Reserve:

- Target: The City shall endeavor to achieve at year end a General Fund Reserve that totals one half of the General Fund expenditures, plus one half of the General Fund transfer to the Fire Fund, plus one half of annual debt service payments. For the purposes of this calculation, the expenditures from the 2nd year of the 5-year budget projection shall be used. For example, when calculating the General Fund reserve of fiscal year 2021-2022, the expenditures forecast in the fiscal year 2022-2023 shall be used. In addition, the transfers to the City's 115 Pension Trust and/or any additional discretionary payments made to CalPERS will not be included in this calculation because they are discretionary in nature.
- Purpose: Funds reserved under this category shall be used in case of catastrophic events, for budget stabilization purposes, or for capital and special projects:
 - Catastrophic events: Funds reserved shall be used to mitigate costs associated with unforeseen emergencies, including natural disasters or catastrophic events. Should unforeseen and unavoidable events occur that require the expenditure of City resources beyond those provided for in the annual budget, the City Manager or designee shall have authority to approve Catastrophic General Fund Reserve appropriations. The City Manager or designee shall then present to the City Council a budget amendment confirming the nature of the emergency and authorizing the appropriation of reserve funds.
 - Budget stabilization: Funds reserved shall be used to mitigate, should they occur, annual budget revenue shortfalls (actual revenues less than projected revenues) due to changes in the economic environment and/or one-time expenditures that will result in future efficiencies and/or budgetary savings. Examples of "economic triggers" and one-time uses include, but are not limited to:
 - Significant decrease in property tax, or other economically sensitive revenues;
 - Reductions in revenue due to actions by the state/federal government;

- Workflow/technical system improvements to reduce ongoing, personnel costs and enhance customer service;
- One-time maintenance of service levels due to significant economic/budget constraints; and
- One-time transitional costs associated with organizational restructuring to secure long-term personnel cost savings.
- Capital and Special Projects: Funds reserved may be designated by the City Council for key infrastructure and capital/special projects as identified in the City 5-year Capital Improvement Plan, as there is no ongoing funding source to support the City's capital needs.
- Classification: The General Fund Reserve is classified as "Assigned" in the City's financial statements.

B. 115 Pension Trust Reserve:

- Target: An annual amount as determined by the funding calculation prescribed in Policy 2.3.1.5.
- Purpose: The purpose of the 115 Pension Trust is to set aside an appropriate level of funds to fully fund accrued pension obligations at a more prudential rate. City Council approval is required to transfer accumulated funds in the 115 Pension Trust to CalPERS as an additional discretionary payment or to offset a portion of the actuarially determined contribution.
- Classification: The 115 Pension Trust Reserve Fund is classified as "Restricted" in the City's financial statements.

C. Insurance & Legal Reserve:

- Target: Reserves shall be maintained between \$250,000 and \$350,000 to cover deductibles and claims related to property and casualty insurance claims and litigation risk that would require additional resources outside of the City's insured risk. Reserves shall be replenished through subsequent charges to the appropriate user departments and/or by utilizing revenue from Construction Time Limit (CTL) fines.
- Purpose: This Fund is designed to cover claims and deductibles related to property and casualty insurance claims in addition to legal defense, damages, and settlements.
- Classification: The Insurance and Legal Reserve Fund is classified as "Assigned" in the City's financial statements.

D. Critical Infrastructure Reserve:

- Target: This reserve does not have a specific dollar target.
- Purpose: The Critical Infrastructure Reserve is available to provide resources for potential future critical infrastructure capital projects in the City; both planned and emergency repair projects. The reserve is designed to reduce the City's future needs for borrowing or bonding on these projects and could also be used as required grant matching funds.
- Classification: The Critical Infrastructure Reserve Fund is classified as "Assigned" in the City's financial statements.

POLICY 2.3 – PENSION/OPEB FUNDING

2.3.1 PENSIONS

2.3.1.1 Purpose and Goals

The City of Belvedere is committed to fiscal sustainability. In keeping with this principle, it maintains minimal debt and generous reserves to cope with exogenous shocks. The City is also committed to honoring its pension obligations. One of the biggest threats to the City's ongoing fiscal sustainability is its rising pension costs. The overarching goal of this Policy is to avoid the risk of crowding out vital public services in future years, and to provide balance sheet space to finance essential infrastructure projects in the years ahead, by funding its accrued pension obligations at a more prudential rate. This Policy also formalizes a past practice of using excess reserves to make discretionary payments to CalPERS whenever affordable.

Development of the City's Pension Funding Policy was guided by the following five tenets:

- The cost of employee benefits should be paid by the generation of taxpayers who receives services.
- Actuarial assumptions should be prudential to ensure that promised benefits can be paid.
- Funding shortfalls should be closed expeditiously. The goal is full funding.
- Large swings in employer contribution rates are undesirable. Smoothing is desirable.
- Funding policies and underlying assumptions should be clearly delineated and regularly reviewed.

2.3.1.2 Policy

The City shall seek to achieve full funding, over twenty years, of its pension obligations. This means that the City shall seek to have assets to cover 100% of accrued pension liabilities valued at a prudential discount rate (CalPERS discount rate adjusted to reflect real anticipated performance) by 2031 and beyond. This calibrates with CalPERS own amortization rules, which allow losses (or gains) to be amortized over 20 years.

2.3.1.3 Establishing and Funding a Section 115 Trust

The City shall establish a Section 115 Trust ("Trust") into which it will invest funds reserved for future pension-related expenses. The City has elected to participate in the California Employers' Pension Prefunding Trust (CEPPT) Fund 115 Trust program. The City will provide an initial investment using a dollar average formula into this Trust during a fifteen-month period beginning in Fiscal Year 20/21 and will make annual contributions to the Trust in amounts determined by the Finance Committee and approved by the City Council beginning in Fiscal Year 21/22. Funds set aside by the City for this purpose will be transmitted to the Trust no less than annually. The assets will be managed conservatively; the City has selected CEPPT investment Strategy 1 which reflects the City's general risk aversion and pension plan maturity.

2.3.1.4 Role of the Finance Committee

The City's Finance Committee will conduct a standing pension funding review at least every five years to reset the discount rate (adjusting for CalPERS' discount rate based on latest available

evidence), set annual funding costs, and fix payments until the next review. The Finance Committee will also review the investment strategy utilized in the 115 Pension Trust and recommend changes if deemed appropriate. It may also recommend transferring money from the Trust to CalPERS or making a discretionary payment to the Trust or CalPERS from excess reserves if any exist at that time. The Finance Committee will send its recommendations to the City Council for its consideration.

2.3.1.5 Determination of Funding Amounts

In developing its recommendations to the City Council, the Finance Committee will review CalPERS' current discount rate (i.e., expected rate of return on its investments), CalPERS' actual investment performance during the review period, and other relevant factors. The Committee will set an adjusted discount rate (or putative rate) that it believes to be more realistic than the discount rate set by CalPERS and will determine the amounts that should be set aside in the Trust to ensure full funding over the requisite period. These amounts will be determined by using the CalPERS Pension Outlook Tool or substantially similar methodology. Should CalPERS require additional payments from the City due to a reduction in CalPERS' discount rate, the City may elect to reduce its transfers to the 115 Trust by an equal amount.

2.3.1.6 Financial Reporting

The City recognizes the importance of ensuring that pension obligations included in the City's financial statements, particularly its Comprehensive Annual Financial Report, are consistent with CalPERS, and will continue to use CalPERS' discount rate for these purposes. This facilitates easy comparison with other agencies and avoids possible negative impacts on perceived credit quality. The City equally recognizes the importance of communicating its pension stewardship. It will therefore include an annual pension update, describing its pension funding policy, Trust assets and adjusted funded status in its annual budget report. Appropriate disclosures of the 115 Trust investments will be reported in the City's financial statements, consistent with GASB required standards.

2.3.1.7 Effect on Reserve Requirements

The City maintains a robust minimum reserve policy, with reserves required to equal no less than six months of general fund operating expenses, debt financing costs and fire contract costs net of fire tax revenues. Transfers to the Trust and additional discretionary payments made to CalPERS will be excluded from the reserve requirement calculation (denominator) because they are discretionary in nature. This is consistent with the City's existing treatment of discretionary payments to CalPERS and internal money transfers.

2.3.1.8 Employee Contributions

In accordance with PEPRA guidelines and compatible with other local agencies, the City will work over time to increase Classic employee contribution rates to 8.0% of salary for Miscellaneous employees and to 12.0% of salary for Safety workers.

2.3.2 OTHER POST EMPLOYMENT BENEFIT (OPEB)

The City offers OPEB health benefits to employees who meet CalPERS vesting requirements. The benefit provided to City retirees is the minimum amount allowable under the CalPERS health plan, with the exception of two former City Manager retirees, who receive a more generous benefit. This benefit is funded on a pay-go method, with no funds set aside in a trust for this purpose.

POLICY 2.4 – BUDGET AND LONG-TERM PLANNING

2.4.1 POLICY

The budget shall serve as a principal management tool for the City administration and be used to allocate the City's resources. The budget document should also serve as a helpful tool for citizens in understanding the operations and costs of City services. In general, ongoing appropriations should be supported by ongoing revenues, and the City should maintain healthy reserves.

Each year, the City Manager develops and presents an annual budget to the City Council for its consideration. The development of the budget is a cooperative effort involving the participation of each department head. Each department head is then accountable to the budget, as enacted by the City Council, meaning that he/she must ensure that departmental spending is in accordance with the budget. Department heads may seek approval from the City Manager to adjust departmental spending, and the City Manager is authorized to transfer appropriations within each fund.

2.4.2 BUDGET BASIS

The budgets of general government-type funds (for example, the general fund, and gas tax funds) are prepared on a spending measurement focus. Briefly, this means that only current assets and current liabilities are included on the balance sheets. The modified accrual basis of accounting is followed. Under the modified accrual basis of accounting, revenues are susceptible to accrual when they become both measurable and available. Expenditures, other than interest on long-term debt, are recorded when a current liability is incurred.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases, this conforms to the way the City prepares the budget. One exception is the treatment of compensated absences. Compensated absences, including accrued but unused administrative leave, compensatory time and vacation leave, are treated slightly different in the budget than in the CAFR.

2.4.3 RESPONSIBILITY

The City Manager is responsible for preparing an annual budget for consideration by the City Council.

2.4.4 BUDGET PREPARATION AND TIMELINE

The process of developing the operating budget begins in March of each year. The budget preparation process provides department heads an opportunity to examine programs; propose changes in current services; recommend revisions in organizations and methods; and outline requirements for capital outlay items. The City's executive team reviews departmental budget proposals and recommends adjustments to the City Manager.

During budget review, the City Manager assesses requests for new positions, and prioritizes operating and capital budget requirements. The Finance Committee, which consists of five members chosen by the City Council, the Mayor, the Vice-Mayor and the City Manager, then reviews the draft budget and makes a recommendation to the City Council.

In May of each year, the City Manager presents the draft budget and 5-year projection to the City Council for its consideration, along with the recommendation of the Finance Committee. Generally, a final budget is adopted, by resolution, in June. Each fiscal year begins on July 1.

2.4.5 OPERATING BUDGET OBJECTIVES

In general, ongoing operating costs should be supported by ongoing stable revenue sources. This protects the City from fluctuating services levels and avoids crises when one-time revenues are reduced or removed. Listed below are some additional considerations:

- End of year fund balances or contingency accounts should only be used for one-time expenditures, such as capital equipment and capital improvements.
- Ongoing maintenance costs, such as street resurfacing and parks maintenance, should be financed through recurring operating revenues rather than through bond issuance.
- One-time federal grants should not be used to fund ongoing programs.

2.4.6 REVENUE OBJECTIVES

The City will seek to maintain a diversified and stable revenue system to ensure ongoing fiscal health and the capacity for absorbing short-run fluctuations in any single revenue source.

The City Manager shall review the encumbrances and continuing appropriations to be submitted to the City Council for approval from one fiscal year to the next fiscal year. These encumbrances and continuing appropriations shall become a part of the City's budget.

2.4.7 CAPITAL BUDGET

The Budget shall include a Capital Improvement Plan (CIP) with a discussion of capital projects that are to be funded over a five-year period. Consistent with the CIP, the Budget shall also include a one-year Capital Improvement Budget, which details capital expenditures for the upcoming fiscal year. Although the CIP may identify "unfunded" projects that carry out the City's strategic and general plans, the Capital Improvement Budget must be fully funded with funds projected to be available during the fiscal year. Management should assess the ongoing impact that any given capital project may have on current and future operating budgets when considering whether to include the project in the budget.

2.4.8 BUDGET IMPLEMENTATION

A budgetary control system is maintained to ensure compliance with the budget. The Administrative Services Manager is responsible for setting up the budget for tracking purposes,

and is charged with ensuring that funds remain available during the year to cover expenditures and appropriations. Reports comparing the budget with expenditures are generated on a monthly basis and are provided to department heads and the City Manager.

2.4.9 BALANCED BUDGET

A balanced budget is achieved when the General Fund Reserve Policy (Policy 2.2.2.A) is met.

2.4.10 BUDGET REVISION

The City Manager is authorized to transfer budget appropriations within the same fund. Additional appropriations, or inter-fund transfers not included in the original budget resolution, require approval by the City Council. Use of unappropriated reserves must be approved by the City Council.

2.4.11 LONG-TERM PLANNING

Each annual budget will be accompanied by a five-year financial forecast. This forecast will be integrated with the City's General Plan and Strategic Plan. The forecast will also be reviewed with respect to the City's long-term financial goals and polices.

POLICY 2.6 – DEBT

2.6.1 PURPOSE

This Debt Policy is intended to comply with Government Code Section 8855(i), effective on January 1, 2017, and may be amended by the City Council as it deems appropriate from time to time in the prudent management of the debt of the City. This Debt Policy shall govern all debt undertaken by the City, the Authority (defined below), and any other subordinate entities of the City for which the City Council serves as the governing board.

2.6.2 BELVEDERE PUBLIC FINANCING AUTHORITY

The Belvedere Public Financing Authority (the “Authority”) was formed in May 2016 and is a joint exercise of powers authority organized and existing under and by virtue of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code. The Authority is authorized to issue its revenue bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985, being Article 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code. As the legislative body of the City, the Belvedere Council acts as the Governing Board of the Authority.

2.6.3 IN GENERAL

The City recognizes that a fiscally-prudent debt policy is required in order to:

- Maintain the City’s sound financial position;
- Ensure that the City has the flexibility to respond to changes in future service priorities, revenue levels and operation expenses;
- Protect the City’s creditworthiness;
- Ensure that debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the City;
- Ensure that the City’s debt profile is consistent with the City’s planning goals and capital improvement needs.

2.6.4 PURPOSES FOR WHICH DEBT MAY BE ISSUED

Long-Term Debt

Long-term debt may be issued to finance the construction, acquisition and rehabilitation of capital improvements and facilities, equipment and land to be owned and operation by the City.

Long-term debt financings are appropriate when the following conditions exist:

- The project to be financed is necessary for providing basic services;
- The project to be financed will provide benefit to constituents over multiple years;
- Total debt does not constitute an unreasonable burden on the City and its taxpayers;
- The new debt is used to refinance outstanding debt in order to produce debt service savings or realize the benefits of a debt restructuring – for example, in the case of using

pension obligation bonds to restructure obligations associated with defined-benefit pensions.

Long-term debt will not generally be considered appropriate for current operation expenses or routine maintenance expenses.

The City may use long-term debt financings subject to the following conditions:

- The project to be financed must be approved by the City Council;
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed 120% of the average reasonably expected economic life of the project to be financed.
- The City estimates that sufficient revenues will be available to service the debt through its maturity;
- The City determines that the issuance of the debt will comply with applicable state and federal law.

Short-Term Debt

Short-term debt may be issued to provide financing for the City's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the City may undertake a lease-purchase financing for equipment.

Financings on Behalf of Other Entities

The City may also find it beneficial to issue debt on behalf of other governmental agencies in order to further the public purposes of the City. In such cases, the City shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

2.6.5 TYPES OF DEBT

The following types of debt are allowable:

- General Obligation bonds (GO Bonds)
- Bond or grant anticipation notes (BANs)
- Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions
- Other revenue bonds and COPs
- Tax and revenue anticipation notes (TRANS)
- Land-secured financings, such as special tax bonds issued under the Mello-Roos Community Facilities Act of 1982, and limited obligation bonds issued under applicable assessment statutes
- Tax-increment financing to the extent permitted by State law

Debt shall be issued as fixed rate debt unless the City makes a specific determination as to why a variable rate issue would be beneficial to the City in a specific circumstance.

2.6.6 RELATIONSHIP OF DEBT TO CAPITAL IMPROVEMENT PROGRAM AND BUDGET

The City is committed to long-term capital planning. The City could issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the City's capital budget and capital improvement plan.

The City shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The City shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The City shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the City's public purposes.

The City shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The City shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

2.6.7 POLICY GOALS RELATED TO PLANNING GOALS AND OBJECTIVES

The City is committed to long-term financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The City would issue debt for the purposes stated in this Debt Policy and in order to implement policy decisions incorporated in the City's annual operations budget.

It is a policy goal of the City to protect taxpayers, ratepayers (if applicable), and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The City will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates, or charges.

When refinancing debt, it shall be a policy goal of the City to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage.

2.6.8 INTERNAL CONTROL PROCEDURES

When issuing debt, in addition to complying with the terms of this Debt Policy, the City shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

Without limiting the foregoing, the City will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings entered into by the City in accordance with SEC Rule 15c2-12;
- Annual debt transparency report obligations under Government Code section 8855(k);
- Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance;
- The City's investment policies as they relate to the use and investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the City upon the submission of one or more written requisitions by the Administrative Services Manager, or (b) by the City, to be held and accounted for in a separate fund account, the expenditure of which will be carefully documented by the City.

2.6.9 BOND DISCLOSURE

Official Statements

The City's chief financial officer, city manager and other appropriate City staff members shall review any Official Statement prepared in connection with any debt issuance by the City in order to ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the City.

In connection with its review of the Official Statement, the appropriate City staff members shall consult with third parties, including outside professionals assisting the City, and all members of City staff, to the extent needed to ensure that the Official Statement will include all "material" information (as defined for purposes of federal securities law).

All Official Statements shall be submitted to the City Council for approval as a new business matter and not as a consent item. The City Council shall undertake such review as deemed necessary by the City Council, following consultation with appropriate City staff members, to fulfill the City Council's responsibilities under applicable securities laws.

Continuing Disclosure Filings

Under the continuing disclosure undertakings that the City has entered into in connection with its debt offerings, the City is required each year to file annual reports with the Municipal

Securities Rulemaking Board’s Electronic Municipal Market Access (“EMMA”) system in accordance with such undertakings. Such annual reports are required to include certain updated financial and operating information, and the City’s audited financial statements. The City is also required under its continuing disclosure undertakings to file notices of certain events with EMMA.

The City’s Chief Financial Officer shall establish a system (which may involve the retention or one or more consultants) by which the City will:

- Make the annual filings required by its continuing disclosure undertakings on a complete and timely basis, and
- File notices of enumerated events on a timely basis.

Public Statements

Whenever the City makes statements or releases information relating to its finances to the public that are reasonably expected to reach investors and the trading markets, the City is obligated to ensure that such statements and information are complete, true, and accurate in all material respects.

Training

The members of the City staff involved in the initial or continuing disclosure process shall be properly trained to understand and perform their responsibilities.