



City of Belvedere

Annual Operating & Capital Budget

Fiscal Year 2020–2021

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Fiscal Year 2020/2021

City Council

Nancy Kemnitzer, Mayor
James Campbell, Vice Mayor
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Bob McCaskill, Councilmember
Marty Winter, Councilmember

Prepared By

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Introduction

CITY OF BELVEDERE

Budget Message

Fiscal Year 2020-2021



June 8, 2020

TO THE HONORABLE MAYOR KEMNITZER AND MEMBERS OF THE CITY COUNCIL

I am pleased to present the budget for Fiscal Year 2020/2021, the year beginning July 1, 2020. The budget includes an Operating Budget, a Capital Improvement Plan and Budget, and a Five-Year forecast of revenues and expenditures. In general, Management has taken a conservative approach to forecasting while still presenting a FY20/21 budget that meets the City's reserve policy.

COVID-19 BUDGETARY IMPACTS

As we construct this budget and the five-year projections, we are in the midst of the novel coronavirus pandemic (Covid-19). Response to this unprecedented event has included shelter-at-home orders, which have in turn caused businesses to close and economic activity to decrease dramatically in the region. At present, the prognosis for resuming normal activity is uncertain. Belvedere is fortunate in that its municipal revenue is derived primarily from a stable source – property taxes. According to the California Municipal Finance Almanac, "the effects of this immediate although severe pandemic event may be mild when it comes to the taxable value of property, which for many properties, is already well below market value." Despite this advantage, we nonetheless are proceeding cautiously as to projected revenue and proposed expenditures.

Property Tax Impacts

Property tax revenue has been consistent, rising 4.5% to 5% each year on average over the past fifteen years, which includes the period of recession in 2008 and 2009. In addition, impacts to property tax lag by about a year. This is because property tax totals that will be used to fund fiscal year budgets that begin in July are determined during the previous January. In the current case, shelter-at-home orders related to Covid-19 were not issued until March. Therefore, property tax revenue projections for this budget year, estimated by the County of Marin for Belvedere as rising approximately 5% over last year's budgeted levels, are reliable. Nonetheless, as a precautionary measure, the budget assumes a 4% increase in property tax revenues in FY20/21. Moreover, the 5-year projections assume a much lower rate of annual increase in FY21/22 and FY22/23 (2% in each year) and a gradual increase (4%, 5%) over the following 2 years.

Pension Impacts

The other primary Covid-related impact on the City's finances is a potential rise in unfunded pension liability levels. CalPERS projects certain yields on its pension fund investments; if these

CM-1

projections turn out to be overly optimistic, then unfunded liability amounts increase. The economic repercussions of the Covid recession on investment performance are as yet unknown; however, the budget and five-year projections assume a significant increase in the City's unfunded liability in FY22/23. Projected out-year spending levels are adjusted accordingly.

Operating and Capital Impacts

Belvedere has consistently set aside significant reserves. This prudent practice gives us confidence in projecting continued fiscal health. In order to ensure that the City maintains ample reserves throughout the Covid-inspired economic recession, we defer the hiring of a staff position and put on hold the development of new lanes. Several other out-year capital projects are deferred until there is more clarity as to the depth and duration of the economic downturn. Key infrastructure maintenance projects are included in the capital plan -- including significant road repair activity, sidewalk safety improvements, ADA-related enhancements, and solar energy developments -- many of which are funded all or in part by outside sources.

The City will continue to explore project alternatives for strengthening levees, seawalls, key utilities and critical emergency access routes. This effort, the planning of which is funded in part by the State of California, is important for the long-term protection of the City. In the near-term, there is potential for the aging seawall on Beach Road to continue to deteriorate, or even to fail in some areas. The budget projection includes, in Year 2, a significant sum to be used for seawall repairs in the event that they are needed. If they are not needed, these funds could be reprogrammed to support other priority capital projects.

In sum, the City is taking a cautious, prudent approach to budgeting during the pandemic. We believe that the actions detailed above are warranted, and that they will ensure the continued fiscal health of our City government.

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.

Protecting our City -- Our People and Our Community Assets

- Provide for a full-service police department, fire protection and emergency services. Special emphasis will be placed on enhancing emergency response capability; improving the block captain program; improving technology at City Hall; and assisting residents as we move away from the Covid-19 pandemic.
- Increase our level of preparation for fire events by supporting additional Chipper Days; funding removal of flammable vegetation on city properties; and improving evacuation routes and procedures.

- Develop a community-supported project to enhance seawalls, levees and key utilities, and ensure emergency access. Fund design development and CEQA analysis needed to achieve a shovel-ready project. Determine the best approach for funding the project; and reserve funds for a temporary “emergency” repair to the vulnerable seawall on Beach Road, should one be needed in the interim.
- Continue investments to promote the undergrounding of utilities in furtherance of the City’s goal to bury all utilities within the next few years.
- Ensure that the City’s streets and sidewalks are well maintained and safe.
- Continue to support activities of the Richardson’s Bay Regional Agency, which are showing promise in resolving various longstanding issues related to Richardson’s Bay.

Improving Quality of Life – Lanes, Parks, Traffic Reduction, Public Infrastructure

- Support upgrades to the playground at Community Park.
- Continue to support the “Yellow Bus” school 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 ability of City Hall to serve as a re-charging station and gathering center during planned power shutoffs in fire season.

Enhancing Resilience While Encouraging Sustainable Energy Use

- Using Proposition 68 funding, add solar power capability and vehicle charging stations near Tom Price Park and the Corporation Yard.
- Add vehicle charging stations at City Hall.
- Build the capacity to protect the City and its residents from the effects of sea-level rise by prioritizing levee/seawall upgrades.
- Encourage residents to switch to “Deep Green” energy option.
- Participate in countywide and regional efforts to enhance resiliency.

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

- Develop financing mechanisms to support anticipated capital improvements in response to sea level rise/seismic concerns, including the preparation of City finances to achieve a high credit rating score.
- Continue modernization of the City’s systems to make it easier for residents to interact with the City, and to reduce reliance on paper processing.
- Move City vendors to electronic payments (rather than paper checks).
- Continue review of Municipal Code and Administrative Policy Manual; revise procedures and create new policies where needed.
- 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.
- Continually review and analyze existing fees and charges for service, and recommend increases that are fair, equitable, and efficient.
- 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

- Implement a Public Works module within the I-WorQ Permit Tracking Software, which will include a public portal.
- Update the Climate Action Plan.
- Work with the County of Marin & other local Marin jurisdictions on Objective Design & Development Standards for multi-family housing and an Accessory Dwelling Unit website & workbook, utilizing funds awarded through the SB2 planning grant (\$160,000).
- Working with the Floodplain Analysis Subcommittee, develop a tool kit and/or policies or code amendments as necessary for projects in the floodplain.
- Review and implement improvements to Design Review and Zoning Ordinances.
- 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.
- Develop a process to examine/screen structures for potential historic resources when a building is at least 50 years of age and is proposed for a major remodel or demolition. Determine what, if any, benefits there are in becoming a Certified Local Government.
- Enhance communication of and accountability for permit processing timeline goals, and explore opportunities for more efficient computer database information applications, whether self-built or vendor supplied.
- Continue to provide permit applicants, contractors, architects, engineers and property owners with resource referrals and education on the California Building Standards Codes and other State and Local requirements.
- Continue work on preparation of the information and application for joining the Community Rating System (CRS) program administered by the Federal Emergency Management Agency (FEMA).

POLICE

Ongoing Goals:

- Maintain the city's very low crime rate with proactive patrol and citizen education.
- 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.
- Aggressively work to prepare the City and its citizens to be ready in case of a disaster.
- 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 City staff to improve disaster response.
- Participate in Public Safety Fairs and School Events as the opportunity arises.
- Participate in scheduled Block Captain exercises to educate and prepare for community response during a disaster.

PUBLIC WORKS

- Implement Fire Dept. & Public Works Annual Fire Risk Reduction Program.
- Plan, Design and Engineer Beach Rd. & San Rafael Ave. Levee Stabilization project.
- Utilize California Prop. 68 Grant Funds for parks.
- Provide communications and administrative assistance to the Block Captain Program.
- Manage utility undergrounding projects—Golden Gate/Belvedere & Lower Golden Gate.
- Administer the Annual Sidewalk Repair Program.
- Manage Lanes Initiative and construct new priority Lane project.
- Install EV Charging Stations and Solar System at Tom Price parking Lot.
- Implement the Annual Roadway Rehab Project.

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 and Pension Reserve and Pension-related Debt Fund.

General Fund Revenue Projections

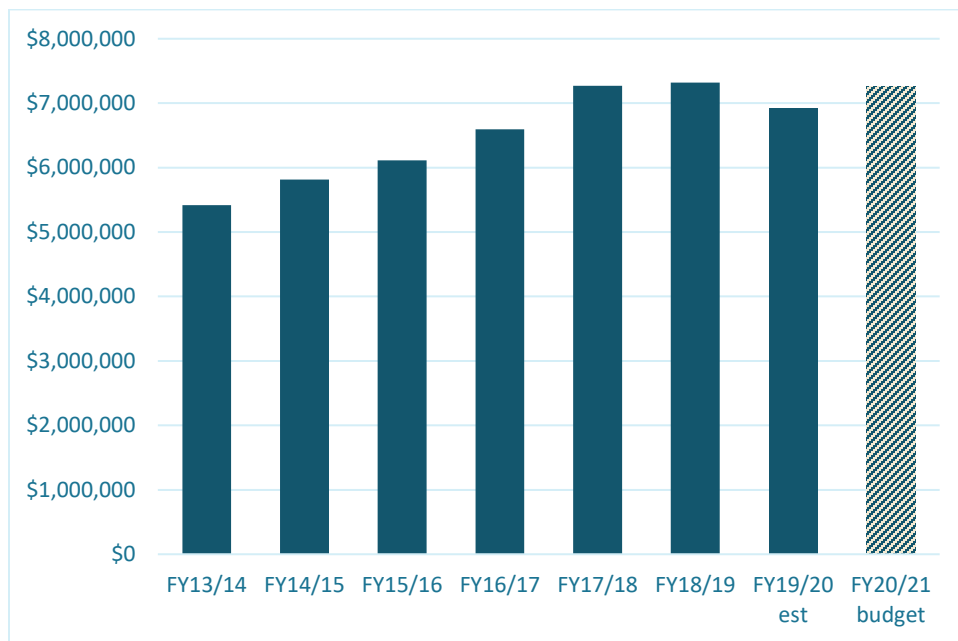
The City depends primarily on property tax revenue to fund department operations. Thanks to a robust real estate market and a steady stream of renovation projects, the assessed value of real property in Belvedere, and resultant property tax revenue, continues to rise. The Budget projects

BUDGET MESSAGE

an increase in secured property tax revenue of 4% over the prior year budgeted amount, based on projections from the County of Marin Tax Assessor’s Office. In recognition of potential Covid impacts on City revenues, other General Fund revenues are projected to achieve 95% of FY20 budgeted levels.

The FY20/21 General Fund budget anticipates total revenue in the amount of \$7,258,022, a 4.9% increase over what is projected for the current fiscal year. This increase is primarily due to the projected 4% increase in property tax revenue, combined with lower than normal FY19/20 revenue projections due to the Covid-19 outbreak.

General Fund Revenue History



General Fund Expenditures

In addition to anticipated increases in the cost of goods and services, memberships in various JPAs, and contracts for services, the budget incorporates the following:

- Participation in the Tiburon Peninsula Traffic Relief JPA (Yellow Bus Challenge);
- Contribution to the Countywide Homeless Fund;
- Richardson’s Bay Regional Agency (RBRA) contribution of \$66,000, an increase of 26% over the prior year;
- Unfunded pension liability of \$91,694. The amount of the City’s unfunded liability typically fluctuates with factors such as actuarial projections and CalPERS investment income.

General Fund Transfers

In FY20/21, \$827,068 will be transferred from the General Fund to the Fire Fund, combined with estimated Fire Tax revenue of \$947,732, and paid to Tiburon Fire Protection District to provide

BUDGET MESSAGE

fire protection services in Belvedere. \$586,500 will be transferred to the Capital Improvement Fund to pay for a variety of important capital projects (see below). \$19,000 will be transferred to the Equipment Replacement Fund for routine equipment needs, such as computers and other office equipment.

The FY20/21 General Fund budget anticipates total expenses in the amount of \$5,529,467, as well as transfers out of \$1,780,116. The budget forecasts a deficit at year-end of \$51,561.

Preliminary FY20/21 General Fund (GF) Budget			
Revenues			\$ 7,258,022
Expenses		(5,529,467)	
Transfers Out			
<i>Fire Fund</i>	(827,068)		
<i>Insurance Fund</i>	(525)		
<i>Pension Reserve Fund</i>	(100,000)		
<i>Capital Projects</i>	(586,500)		
<i>Equipment Replacement</i>	(19,000)		
<i>Pension-related Debt Obligation</i>	(247,023)		
Total Transfers Out		(1,780,116)	
Expenses plus Transfers Out			(7,309,583)
Surplus/(Deficit)			\$ (51,561)

General Fund Reserve

The Council has established a policy of maintaining a General Fund Reserve equal to 50% of annual operating expense plus the General Fund transfer to the Fire Fund, plus the amount of Pension-related Debt Service payments. If revenues are received and funds expended as anticipated in the FY20/21 budget, the reserve policy goal of \$3,301,779 will be exceeded.

FY20/21 GF Expenses + Fire Transfer + Debt Payment		\$ 6,603,558
General Fund Reserve Policy 50%		3,301,779
Projected General Fund Balance 6/30/20	52%	3,446,664
Over/(Under) Policy		\$ 144,886

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.

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 Reserve Fund – Special Reserve (160)

This Fund is designed to cover claims and deductibles related to property and casualty insurance claims. Funds are transferred from the General Fund to ensure this fund continues to meet its target goal of \$50,000 to \$100,000.

Pension Reserve Fund – Special Reserve (160)

It is the practice of the City to set aside up to \$100,000 per year in the Pension Reserve Fund for current or future unfunded pension liability and/or other post-employment benefit (OPEB) liability payments. The Council may decide as part of its annual budget process to expend some or all of the accumulated Pensions Reserve Fund balance to pay down accrued unfunded pension or OPEB liability. General Fund transfers are utilized to set aside money in this fund.

CAPITAL PROJECTS

Capital expenditures are defined as projects that address the building, upgrading 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 the all of the capital projects in the City. Capital projects often cross fiscal years due to the timing of design, bids, 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.

Several important Capital Improvement Projects are funded in this year's budget.

- Develop designs and engage in environmental analysis of a preferred seawall/levee/utilities protection project. This work will be funded in part by a grant from the California Department of Water Resources.
- Improve energy sustainability by installing solar panels and electric vehicle charging stations near Tom Price Park. This work will be supported by funds from Proposition 68.
- Determine whether to purchase credits (20A) for the purpose of reducing the cost to underground remaining above-ground utilities.
- Upgrade City Hall and adjacent areas to promote better accessibility, pedestrian safety and functionality.
- Develop an evacuation plan and protocol; upgrade radios and other emergency equipment.
- Accomplish significant road repairs and sidewalk enhancements.
- Develop a seating area at Park Lane.
- Replace the play surface at Community Park playground.

FUTURE PROJECTS & FUNDING CONSTRAINTS

There are a number of projects and challenges that may need to be addressed during the course of FY20/21 or within the next few years. In many cases, there are needs for which funding has not been identified.

In the near term, impacts from closures associated with the County Health Order to protect the population from Covid-19 may result in requests for financial support from the City. For example:

- The “Ranch,” which provides popular recreation and education programs on behalf of Belvedere and Tiburon, is experiencing a dramatic loss of program revenue due to Covid-19. It is likely that the Ranch will need financial support for a limited duration, and that the City will be asked to provide a portion of that funding.
- The City is a member of several joint powers authorities (JPAs). While every effort is being made to ensure that member contributions to JPAs remain steady during this period, some JPAs may be suffering financial losses due to Covid-related drops in fees and may seek temporary support from members.

The City is engaged in the development of a project to provide seismic protection, flood prevention, and assured emergency vehicle access to all parts of Belvedere. This project will require financial resources that are beyond what can be allocated through the City’s budget. A financing strategy will be developed for this project.

A noticeable shifting of the Beach Road seawall caused the City to spend nearly \$500,000 to stabilize the wall by installing sheet piles to support a vulnerable portion of it. Given the time that may be needed to develop and finance the more comprehensive seawall/levee/utility protection project, the City may need to fund other such emergency fixes to the Beach Road seawall. The five-year projection includes \$400,000 for a single emergency “fix.” It is possible that a more expensive fix could be needed, depending on conditions over the next few years.

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

- Sustainability Plan implementation (Sustainable Fleet, LED lighting, etc.)
- Belvedere Island Emergency Evacuation Plan—possible roadway adjustments
- Utility Undergrounding along West Shore Road and Lagoon Road
- Retaining Walls and Hillside Stability Projects (Belvedere Island and Corinthian Island)
- Urban Tree Maintenance Program (to evaluate all Public trees and budget for annual maintenance)
- Workforce Housing
- Police Department building upgrades

FIVE YEAR FORECAST AND FUND BALANCE SUMMARY

The five-year forecast makes the following assumptions in years two through five: a gradual increase in property tax revenue from 2% to 5% over the period, a 3% increase overall in department operating expenses, a 5% annual increase in the cost of fire protection, and capital costs as outlined in the five-year capital improvement plan. The forecast also assumes a sharp increase to the City’s unfunded liability payment to CalPERS in FY 22/23, as this will be the first year in which the current stock market yields will impact the City’s annual required payment to CalPERS. It is projected that the 50% reserve policy goal will be met all five years of the forecast period.

CONCLUSION

The FY20/21 Budget maintains essential staffing levels and allocates resources necessary to ensure the health and safety of Belvedere residents, protect the City's assets, and provide the resources to operate and maintain the City. As with any financial planning tool, the Budget makes assumptions that may need to be adjusted over time, as new information becomes available or the Council adopts new priorities. Management will closely monitor revenues and manage resources throughout the year and will update the Council at regular intervals.

It has been my pleasure to work with a talented City staff to produce this Budget. In particular, I want to thank the City's Administrative Services Manager, Amber Johnson, for her efforts. I look forward to working with the City Council in the coming year to ensure that Belvedere continues to thrive as a unique and beautiful place treasured by its residents.

Respectfully,



Craig Middleton
City Manager

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 approximately 100 rental units. The terrain is predominantly hilly and lush. Many residences were designed by famous architects and are considered historically significant. There are spectacular views of San Francisco, Angel Island, the Golden Gate Bridge, Sausalito, and Mt. Tamalpais.

Weather

The weather in Belvedere is temperate. Coastal breezes keep the air fresh and clear and the temperatures moderate all year. The average low in January is 42.9 degrees, the average high in July only 74.9. The city has mostly sunny conditions 260 days out of the year.

Population

The median age in Belvedere is 53. With more young families moving in, the median age is trending downward. The city hosts swarms of children at its playground, the most popular children's park in southern Marin.

Employment

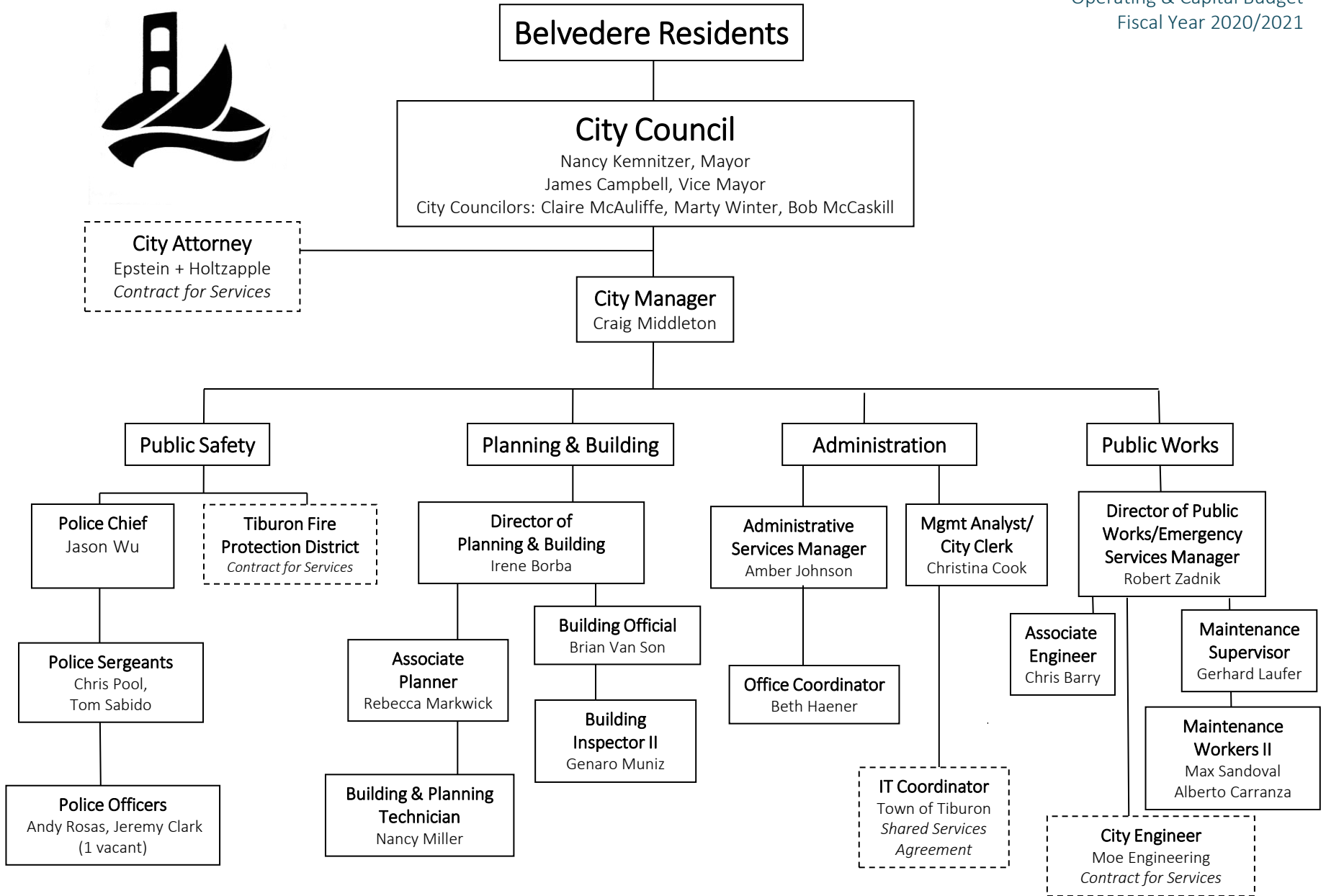
Most of Belvedere's working population commutes to San Francisco. Many residents work as consultants out of their homes. There is no downtown in Belvedere. Shoppers find the usual products and services immediately outside the city limits in the Town of Tiburon's shopping centers and stores.

Volunteer Opportunities

Volunteerism is a major way of life in Belvedere. Belvedere's residents roll up their sleeves to help restore historic structures, plant community gardens, mend books for the library, help design the renovation of parks, and serve on the PTA. Residents actively serve on the boards of dozens of Marin County and San Francisco museums, performing arts groups, charities, and community foundations.



City-Wide Organizational Chart



Budget Calendar

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Belvedere
California**

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Belvedere, California, for its Annual Budget for the fiscal year beginning July 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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Budget Summaries

OPERATING

Operating Revenues

General Fund Revenues	\$ 7,258,022
Fire Fund Revenues	\$ 947,932
Total Operating Revenues	\$ 8,205,954

Operating Expenses

City Operations	\$ 5,529,467
Fire Contract	\$ 1,775,000
Debt Payments (Pension-related)	\$ 247,023
Legal Damages/Settlements	\$ 525
Total Operating Expenses	\$ 7,552,014

Other Deductions from Operating Funds

Contribution to Pension Reserve Fund	\$ 100,000
Adjusted Net Operating Revenue	\$ 553,939

CAPITAL

Capital Revenues

Capital Funds available for current year projects	\$ 493,000	<i>of \$663,750 Total Capital Funds</i>
Restricted Funds	\$ 1,000	
Total Capital Revenues	\$ 494,000	

Other Capital Funding Sources

From Net Operating Revenues	\$ 553,939
Prior year excess reserves	\$ 21,561
Total Other Sources	\$ 575,500

Total Revenue to Support Capital Projects \$ 1,069,500

Capital Project Expenditures

Capital Projects	\$ 1,049,500
Equipment Replacement	\$ 20,000
Total Capital Project Expenditures	\$ 1,069,500

FUND RESERVES

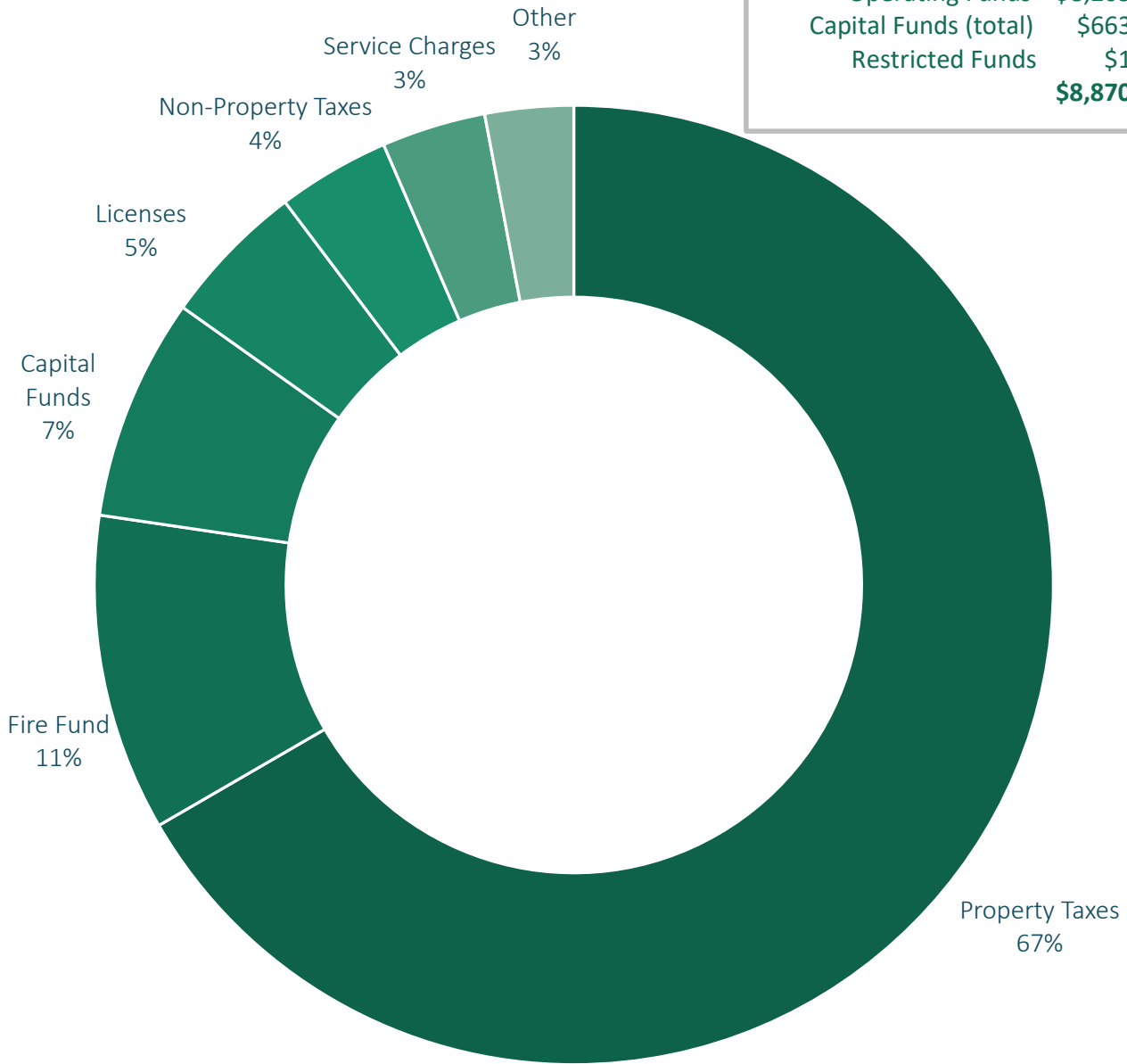
Fund Balances - Projected at June 30, 2021

General Fund Reserve	\$ 3,446,664
Insurance Reserve Fund	\$ 50,000
Pension Reserve Fund	\$ 300,000
Total City Funds	\$ 3,796,664

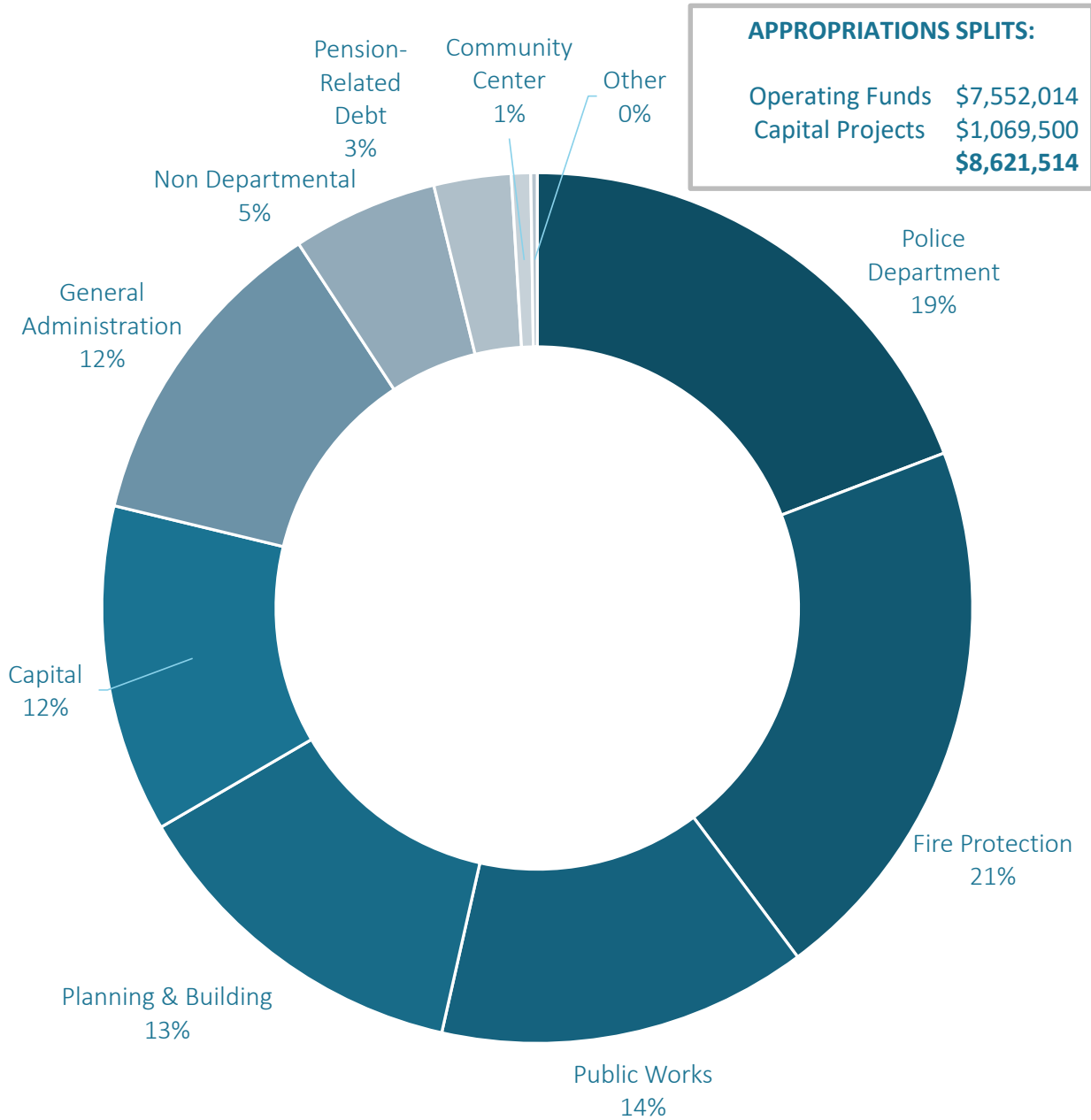
General Fund Reserve	\$ 3,446,664
General Fund Reserve Policy Goal	\$ 3,301,779
Reserve Funds Over/(Under) Policy	<u><u>\$ 144,885</u></u>

Total Revenues \$8,870,704

REVENUE SPLITS:	
Operating Funds	\$8,205,954
Capital Funds (total)	\$663,750
Restricted Funds	\$1,000
	\$8,870,704



Total Appropriations \$8,621,514



Schedule of Interfund Transfers

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

FUND		TRANSFERS IN	TRANSFERS OUT
100	General Fund		\$ 827,068 ¹
100	General Fund		525 ²
100	General Fund		100,000 ³
100	General Fund		247,023 ⁴
100	General Fund		586,500 ⁵
100	General Fund		19,000 ⁶
130	Fire Fund	827,068	
160	Insurance Reserve Fund	525	
100	Pension Reserve Fund	100,000	
500	Pension-related Debt Obligation Fund	247,023	
900	Capital Improvement Fund	586,500	
210	Equipment Replacement Fund	19,000	
	Total	<u>\$ 1,780,116</u>	<u>\$ 1,780,116</u>

¹ Fire expenditures not funded by Parcel Tax.

² Annual transfer from General Fund to Insurance Reserve Fund.

³ Annual transfer from General Fund to Pension Reserve Fund.

⁴ Pension-related debt service payments.

⁵ CIP expenditures not funded by other revenue sources.

⁶ Equipment Replacement expenditures not funded by other sources.

Revenue History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

FUND/ACTIVITY	FY16/17 ACTUAL REVENUES	FY17/18 ACTUAL REVENUES	FY18/19 ACTUAL REVENUES	FY19/20 ESTIMATED REVENUES	FY20/21 RECOMMENDED BUDGET
OPERATING REVENUE					
GENERAL FUND					
Property Taxes:					
Current Secured	\$4,113,120	\$4,340,484	\$4,657,434	\$4,808,855	\$5,001,209
Supplemental Assessments	103,709	92,218	104,431	100,000	99,000
Unsecured	85,196	87,234	89,828	87,000	93,970
Excess ERAF	413,725	425,151	490,139	400,000	400,000
VLF Swap	232,953	244,585	259,935	235,000	235,000
Real Property Transfer	113,831	86,621	112,324	31,864	82,650
Subtotal	\$5,062,534	\$5,276,293	\$5,714,091	\$5,662,719	\$5,911,829
<i>% Change over prior year</i>	10.8%	4.2%	8.3%	-0.9%	4.4%
Local Non-Property Taxes:					
Sales Taxes	\$79,496	\$105,446	\$106,363	\$38,957	\$79,040
Sales Taxes - SB509	18,452	19,283	19,663	11,730	18,050
Business Licenses	63,730	74,804	68,611	66,000	66,000
PG&E Franchise	29,262	32,965	29,451	30,000	30,000
CATV Franchise	60,507	83,098	61,000	67,500	67,500
Garbage Franchise	73,553	72,697	80,861	76,000	76,000
Subtotal	\$324,999	\$388,293	\$365,949	\$290,187	\$336,590
<i>% Change over prior year</i>	5.8%	19.5%	-5.8%	-20.7%	16.0%
Licenses & Permits:					
Construction Permits	\$351,124	\$493,806	\$384,069	\$366,745	\$359,593
Encroachment Permits	66,361	68,244	61,114	36,484	57,000
Revocable Licenses	9,762	11,368	6,664	6,272	8,000
Parking Permits	3,389	8,844	5,360	6,960	4,200
Miscellaneous Licenses and Permits	12,975	3,187	1,666	1,261	5,000
Subtotal	\$443,611	\$585,449	\$458,873	\$417,722	\$433,793
<i>% Change over prior year</i>	-2.2%	32.0%	-21.6%	-9.0%	3.8%

Revenue History - All Funds

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

FUND/ACTIVITY	FY16/17 ACTUAL REVENUES	FY17/18 ACTUAL REVENUES	FY18/19 ACTUAL REVENUES	FY19/20 ESTIMATED REVENUES	FY20/21 RECOMMENDED BUDGET
Fines & Forfeitures:					
Vehicle Code Fines	\$19,086	\$11,253	\$8,582	\$4,802	\$11,000
Planning & Building Penalties	4,037	141,336	25,054	17,200	5,000
Subtotal	<u>\$23,123</u>	<u>\$152,589</u>	<u>\$33,636</u>	<u>\$22,002</u>	<u>\$16,000</u>
<i>% Change over prior year</i>	<i>6.1%</i>	<i>559.9%</i>	<i>-78.0%</i>	<i>-34.6%</i>	<i>-27.3%</i>
Investments & Property:					
Investments	\$21,584	\$44,714	\$112,733	\$40,000	\$25,000
Rent	40,879	39,469	14,561	40,000	40,000
Subtotal	<u>\$62,463</u>	<u>\$84,183</u>	<u>\$127,294</u>	<u>\$80,000</u>	<u>\$65,000</u>
<i>% Change over prior year</i>	<i>31.5%</i>	<i>34.8%</i>	<i>51.2%</i>	<i>-37.2%</i>	<i>-18.8%</i>
Revenue From Other Agencies:					
Motor Vehicle In Lieu	\$969	\$1,143	\$1,025	\$900	\$900
HOPTR	22,046	21,976	21,960	21,500	20,735
Supplemental Law Enforcement Funding	130,263	147,611	155,402	124,800	124,800
Subtotal	<u>\$153,278</u>	<u>\$170,730</u>	<u>\$178,387</u>	<u>\$147,200</u>	<u>\$146,435</u>
<i>% Change over prior year</i>	<i>2.1%</i>	<i>11.4%</i>	<i>4.5%</i>	<i>-17.5%</i>	<i>-0.5%</i>
Service Charges:					
Road Closure Signs	\$15,201	\$17,959	\$26,065	\$14,825	\$15,200
Plan Reviews	198,769	312,969	228,811	160,220	166,250
Technology Fee	7,601	6,927	6,541	4,262	7,125
Variances and Use Permits	37,260	8,345	18,900	9,570	23,750
Design Review/Design Review Exceptions	94,478	36,988	79,973	38,840	71,250
Appeals	3,508	3,415	1,753	3,199	1,000
Residential Building Reports/Inspections	14,023	12,609	14,006	9,300	15,200
Financial Services	101,359	11,341	5,434	5,000	5,000
Special Police Services	10,835	113,499	1,317	1,186	0
Electric Vehicle Charging Fees	0	1,048	4,753	1,533	3,600
Miscellaneous Charges for Services	3,763	7,490	15,201	13,922	3,000
Subtotal	<u>\$486,797</u>	<u>\$532,590</u>	<u>\$402,754</u>	<u>\$261,857</u>	<u>\$311,375</u>
<i>% Change over prior year</i>	<i>5.1%</i>	<i>9.4%</i>	<i>-24.4%</i>	<i>-35.0%</i>	<i>18.9%</i>

Revenue History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

FUND/ACTIVITY	FY16/17 ACTUAL REVENUES	FY17/18 ACTUAL REVENUES	FY18/19 ACTUAL REVENUES	FY19/20 ESTIMATED REVENUES	FY20/21 RECOMMENDED BUDGET
Miscellaneous Other Revenue:					
Concert-in-the-Park Series	\$29,600	\$33,828	\$32,047	\$32,000	\$32,000
Miscellaneous Other Revenue:	6,645	46,949	4,154	5,000	5,000
Grant Proceeds	0	0	0	0	0
Contributions/Private Grants	0	0	0	0	0
Subtotal	\$36,245	\$80,777	\$36,201	\$37,000	\$37,000
<i>% Change over prior year</i>	-61.4%	122.9%	-55.2%	2.2%	0.0%
Total General Fund Revenue	\$6,593,050	\$7,270,904	\$7,317,185	\$6,918,687	\$7,258,022
<i>% Change over prior year</i>	8.0%	10.3%	0.6%	-5.4%	4.9%
FIRE FUND					
Fire Tax Proceeds	\$825,824	\$853,108	\$886,256	\$923,750	\$947,932
<i>% Change over prior year</i>	5.9%	3.3%	3.9%	4.2%	2.6%
TOTAL OPERATING REVENUE	\$7,418,874	\$8,124,012	\$8,203,441	\$7,842,437	\$8,205,954
<i>% Change over prior year</i>	7.7%	9.5%	1.0%	-4.4%	4.6%

Revenue History - All Funds

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

FUND/ACTIVITY	FY16/17 ACTUAL REVENUES	FY17/18 ACTUAL REVENUES	FY18/19 ACTUAL REVENUES	FY19/20 ESTIMATED REVENUES	FY20/21 RECOMMENDED BUDGET
CAPITAL REVENUE					
CAPITAL IMPROVEMENT FUNDS					
General Capital Improvements					
Contributions/Private Grants	\$11,042	\$35,184	\$31,329	\$0	\$0
Measure A/B Transportation Sales Tax	56,315	33,875	32,427	60,000	50,000
Gas Tax Revenue	47,425	65,086	85,219	90,000	60,000
DWR Grant	0	95,874	20,260	98,000	165,000
Prop 68 Park Bond	0	0	0	0	200,000
Total Cap. Improvement Fund Revenue	\$114,782	\$230,019	\$169,235	\$248,000	\$475,000
<i>% Change over prior year</i>	-8.5%	100.4%	-26.4%	46.5%	91.5%
Road Impact Funds					
Road Impact Fee	\$176,784	\$227,509	\$173,862	\$185,000	\$175,750
<i>% Change over prior year</i>	-1.4%	28.7%	-23.6%	6.4%	-5.0%
Marin County Parks & Open Space Fund					
Measure A Parks Sales Tax	\$15,508	\$24,678	\$8,970	\$17,089	\$13,000
<i>% Change over prior year</i>	1.2%	59.1%	-63.7%	90.5%	-23.9%
SUBTOTAL CAPITAL IMPROVEMENT FUNDS	\$307,074	\$482,206	\$352,067	\$450,089	\$663,750
<i>% Change over prior year</i>	-4.1%	57.0%	-27.0%	27.8%	47.5%
EQUIPMENT REPLACEMENT FUND					
Contribution	\$15,250	\$10,143	\$0	\$0	\$0
Grant	0	0	0	0	0
Sale of Property	5,588	3,285	409	40,600	1,000
Total Equip. Repl. Fund Revenue	\$20,838	\$13,428	\$409	\$40,600	\$1,000
<i>% Change over prior year</i>	108.4%	-35.6%	-97.0%	9826.7%	-97.5%
TOTAL CAPITAL REVENUE	\$327,912	\$495,634	\$352,476	\$490,689	\$664,750
<i>% Change over prior year</i>	-0.7%	51.1%	-28.9%	39.2%	35.5%
TOTAL REVENUES	\$7,746,786	\$8,619,646	\$8,555,917	\$8,333,126	\$8,870,704
<i>% Change over prior year</i>	7.3%	11.3%	-0.7%	-2.6%	6.5%

Expenditure History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

FUND/ACTIVITY	FY16/17 ACTUAL EXPENDITURES	FY17/18 ACTUAL EXPENDITURES	FY18/19 ACTUAL EXPENDITURES	FY19/20 ESTIMATED EXPENDITURES	FY20/21 RECOMMENDED BUDGET
OPERATING EXPENDITURES					
GENERAL FUND					
General Administration	\$764,494	\$764,727	\$807,505	\$1,025,027	\$1,033,928
Planning and Building	1,136,026	1,012,727	1,084,630	1,038,963	1,128,075
Police	1,593,052	1,730,072	1,835,364	1,867,291	1,655,933
Public Works Operations & Maintenance	804,365	923,185	942,094	1,125,467	1,183,408
Recreation (The Ranch)	54,133	52,364	53,227	56,843	61,844
Non-Departmental	336,040	346,407	405,386	451,797	466,279
TOTAL GENERAL FUND	\$4,688,110	\$4,829,482	\$5,128,206	\$5,565,387	\$5,529,467
<i>% Change over prior year</i>	<i>0.3%</i>	<i>3.0%</i>	<i>6.2%</i>	<i>8.5%</i>	<i>-0.6%</i>
FIRE FUND					
Fire Protection	\$1,575,903	\$1,454,028	\$1,530,482	\$1,690,600	\$1,775,000
<i>% Change over prior year</i>	<i>2.8%</i>	<i>-7.7%</i>	<i>5.3%</i>	<i>10.5%</i>	<i>5.0%</i>
RESTRICTED FUNDS					
Pension Reserve Payment	300,000	1,000,000	0	0	0
Legal Damages and Settlements	113	0	3,500	10,000	525
Debt Service	0	119,535	254,176	238,044	247,023
TOTAL RESTRICTED FUNDS	\$421,841	\$1,119,535	\$257,676	\$248,044	\$247,548
<i>% Change over prior year</i>	<i>1450.2%</i>	<i>165.4%</i>	<i>-77.0%</i>	<i>-3.7%</i>	<i>-0.2%</i>
TOTAL OPERATING EXPENDITURES	\$6,685,854	\$7,403,045	\$6,916,364	\$7,504,031	\$7,552,014
<i>% Change over prior year</i>	<i>7.2%</i>	<i>10.7%</i>	<i>-6.6%</i>	<i>8.5%</i>	<i>0.6%</i>

Expenditure History - All Funds

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

FUND/ACTIVITY	FY16/17 ACTUAL EXPENDITURES	FY17/18 ACTUAL EXPENDITURES	FY18/19 ACTUAL EXPENDITURES	FY19/20 ESTIMATED EXPENDITURES	FY20/21 RECOMMENDED BUDGET
CAPITAL EXPENDITURES					
CAPITAL IMPROVEMENT FUNDS					
General Capital Improvements					
Infrastructure	\$30,000	\$15,620	\$81,542	\$652,665	\$352,000
Lanes	3,500	35,651	135,326	515,000	70,000
Parks & Open Space	11,300	33,389	28,352	91,861	6,000
Community Buildings	\$25,000	12,475	82,990	314,065	198,000
Miscellaneous Other	145,000	207,623	48,515	42,000	196,500
Utility Underground Districts	40,000	117,962	60,539	30,000	69,000
Total Capital Improvements	\$254,800	\$422,720	\$437,264	\$1,645,591	\$891,500
<i>% Change over prior year</i>	62.7%	65.9%	3.4%	276.3%	-45.8%
Road Impact Fee Fund					
Streets	\$68,000	\$134,702	\$460,553	\$302,335	\$145,000
<i>% Change over prior year</i>	-76.6%	98.1%	241.9%	-34.4%	-52.0%
Measure A Parks & Open Space Fund					
Parks & Open Space	\$0	\$5,000	\$10,234	\$17,089	\$13,000
<i>% Change over prior year</i>	-100.0%	0.0%	104.7%	67.0%	-23.9%
SUBTOTAL CAPITAL IMPROVEMENT EXPENDITURES	\$322,800	\$562,422	\$908,050	\$1,965,015	\$1,049,500
RESTRICTED FUNDS					
Equipment Replacement	\$121,728	\$83,189	\$94,865	\$166,735	\$20,000
<i>% Change over prior year</i>	347.3%	-31.7%	14.0%	75.8%	-88.0%
TOTAL CAPITAL EXPENDITURES	\$444,528	\$645,611	\$1,002,915	\$2,131,750	\$1,069,500
<i>% Change over prior year</i>	-7.1%	45.2%	55.3%	112.6%	-49.8%
TOTAL EXPENDITURES	\$7,130,382	\$8,048,656	\$7,919,279	\$9,635,781	\$8,621,514

City-Wide Salary & Benefit Information

Salary Chart with Position Allocations

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

Department & Position	Step A	Step B	Step C	Step D	Step E	FTE
General Administration						
City Manager					17,817	1
Administrative Services Manager	10,997	11,547	12,124	12,730	13,367	1
City Clerk/Management Analyst	7,205	7,565	7,944	8,341	8,758	1
Office Coordinator	6,229	6,540	6,867	7,210	7,571	1
Planning & Building						
Director of Planning and Building	10,037	10,539	11,066	11,619	12,200	1
Building Official	9,042	9,494	9,969	10,468	10,991	1
Associate Planner	6,894	7,239	7,601	7,981	8,380	1
Building Inspector II	6,638	6,970	7,319	7,685	8,069	1
Building & Planning Technician	5,680	5,964	6,262	6,575	6,904	1
Police						
Police Chief	11,913	12,508	13,134	13,790	14,480	1
Police Sergeant	7,855	8,248	8,660	9,093	9,548	2
Police Officer	6,678	7,012	7,362	7,730	8,117	3
Public Works						
Director of Public Works	11,160	11,718	12,304	12,919	13,565	1
Associate Engineer	7,571	7,949	8,346	8,764	9,202	1
Maintenance Supervisor	6,614	6,944	7,292	7,656	8,039	1
Maintenance Worker II	4,888	5,132	5,389	5,658	5,941	2
Maintenance Worker	4,364	4,583	4,812	5,052	5,305	-
Total Employees						20

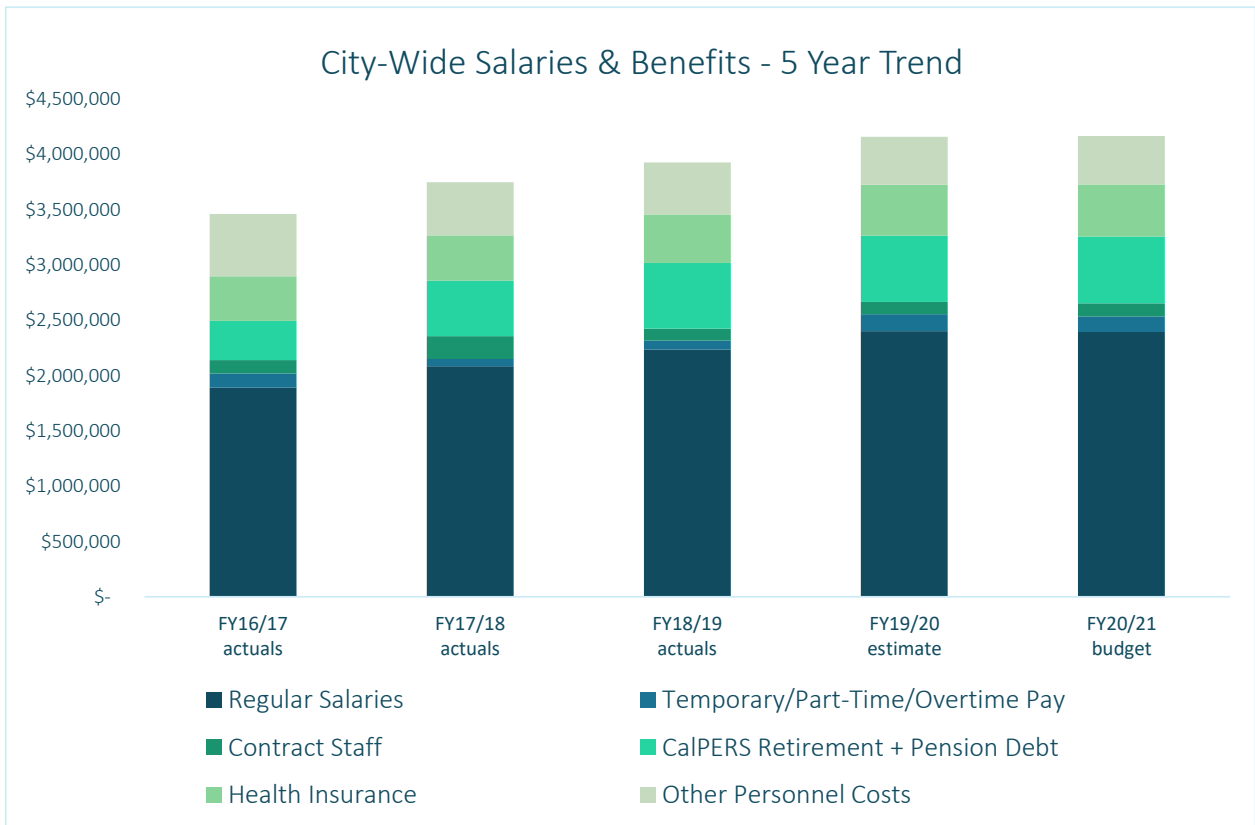
Contract Staff	
City Attorney	Professional Services Contract with Epstein Law Firm
City Engineer	Professional Services Contract with Moe Engineering
Fire and Emergency Services	Contract for Services with Tiburon Fire Protection District
IT Coordinator	Shared Services Agreement with Town of Tiburon

Citywide Salary and Benefit History

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Citywide Salary and Benefit Information Budget Year + Four Year History

Salary & Benefit Costs	FY16/17 actuals	FY17/18 actuals	FY18/19 actuals	FY19/20 estimate	FY20/21 budget
Regular Salaries	\$ 1,889,347	\$ 2,083,294	\$ 2,235,839	\$ 2,400,435	\$ 2,393,722
Temporary/Part-Time/Overtime Pay	\$ 129,894	\$ 66,316	\$ 79,632	\$ 153,500	\$ 139,333
Contract Staff	\$ 120,429	\$ 205,013	\$ 106,888	\$ 110,000	\$ 120,000
CalPERS Retirement + Pension Debt	\$ 353,756	\$ 500,814	\$ 594,691	\$ 599,148	\$ 603,171
Health Insurance	\$ 402,567	\$ 410,904	\$ 438,780	\$ 460,915	\$ 470,817
Other Personnel Costs	\$ 564,939	\$ 479,568	\$ 470,157	\$ 432,468	\$ 438,183
Total Salary & Benefits	\$ 3,460,931	\$ 3,745,909	\$ 3,925,987	\$ 4,156,466	\$ 4,165,226



Position Counts by Department	FY16/17 actuals	FY17/18 actuals	FY18/19 actuals	FY19/20 estimate	FY20/21 budget
General Administration	3	3	4	4	4
Planning & Building	5	6	5	5	5
Police Department	8	8	6	5	6
Public Works	4	4	4	5	5
TOTAL	20	21	19	19	20

Operating Expenditures

General Administration
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
4000	Regular Salaries	554,739	554,739	577,283
4010	Temp & Part Time Employees	2,000	2,000	2,000
4030	Sick Leave Conversion	18,430	7,094	22,652
4090	Auto Allowance	8,400	8,400	8,400
4091	Deferred Comp	7,200	7,200	7,200
4095	Longevity Pay	2,627	404	0
	PERSONNEL	593,396	579,837	617,535
4100	Insurance Benefits	51,265	51,265	53,688
4110	PERS	52,091	52,091	48,590
4114	PARS	1,800	1,800	1,800
4121	Workers' Comp	24,349	22,230	24,825
4130	FICA/Medicare	8,537	8,537	8,718
	FRINGE BENEFITS	138,042	135,923	137,621
5010	Financial Services	60,000	100,000	60,000
5012	Legal Services	65,000	65,000	66,950
5015	IT Support	10,000	10,000	10,300
5016	Software Maintenance	7,500	7,500	7,725
5981	Recruitment	0	1,425	0
5990	Other Contract/Outside Services	10,000	10,000	10,000
	OUTSIDE SERVICES	152,500	193,925	154,975
6000	Communications & Alarms	3,611	3,611	3,719
6020	Power - Gas & Electric	1,715	1,715	1,766
	UTILITIES	5,326	5,326	5,486
6125	Elections	3,000	3,000	3,090
6150	Membership & Dues	7,500	7,500	7,725
6160	Notices & Ads	4,000	4,000	4,120
6170	Confs, Meetings, Training	21,000	15,000	21,000
6180	Vehicle/Equipment Leases	5,015	5,015	5,165
6990	Other Operating Expenses	70,000	70,000	70,000
	OPERATIONS	110,515	104,515	111,100
7000	Office Supplies	2,500	2,500	2,575
7030	Printing & Reproduction	4,500	3,000	4,635
	MATERIALS AND SUPPLIES	7,000	5,500	7,210
	TOTAL GENERAL ADMINISTRATION	1,006,779	1,025,027	1,033,928

Planning Building
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
4000	Regular Salaries	558,539	558,539	600,800
4020	Overtime	1,500	1,500	1,500
4030	Sick Leave Conversion	15,413	8,022	24,831
4090	Auto Allowance	7,200	7,200	7,200
4091	Deferred Comp	9,000	9,000	9,000
4095	Longevity Pay	12,644	12,644	16,239
	PERSONNEL	604,296	596,905	659,570
4100	Insurance Benefits	114,851	114,851	114,428
4110	PERS	66,424	66,424	72,400
4114	PARS	7,346	7,346	7,345
4121	Workers' Comp	24,516	22,399	25,647
4130	FICA/Medicare	8,632	8,632	9,262
	FRINGE BENEFITS	221,769	219,652	229,082
5012	Legal Services	52,500	52,500	54,075
5015	IT Support	21,000	21,000	21,630
5016	Software Maintenance	2,100	2,100	2,163
5101	Plan Review Services-Building Dept	40,000	40,000	40,000
5990	Other Contract/Outside Services	70,000	50,000	70,000
	OUTSIDE SERVICES	185,600	165,600	187,868
6000	Communications & Alarms	6,174	6,174	6,359
6020	Power - Gas & Electric	6,312	6,312	6,501
	UTILITIES	12,486	12,486	12,861
6150	Membership & Dues	900	900	927
6160	Notices & Ads	1,260	1,260	1,298
6170	Confs, Meetings, Training	20,000	20,000	20,000
6180	Vehicle/Equipment Leases	6,064	6,064	6,246
6190	Vehicle Maintenance - Corr	3,000	3,000	2,700
	OPERATIONS	31,224	31,224	31,171
7000	Office Supplies	6,443	6,443	6,636
7030	Printing & Reproduction	862	862	888
7080	Gas & Oil Supplies	5,791	5,791	0
	MATERIALS AND SUPPLIES	13,096	13,096	7,524
TOTAL PLANNING & BUILDING		1,068,471	1,038,963	1,128,075

Police
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

<u>Account</u>	<u>Item</u>	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
4000	Regular Salaries	792,548	792,548	703,382
4010	Temp & Part Time Employees	50,000	25,000	51,500
4020	Overtime	100,000	125,000	83,333
4030	Sick Leave Conversion	29,862	1,274	29,453
4040	Holiday Pay	39,269	39,269	33,748
4060	Educational Incentive	39,627	39,627	26,590
4070	Graveyard Shift Pay	15,681	15,681	13,459
4080	Field Training Pay	1,000	1,000	1,000
4090	Auto Allowance	14,400	14,400	4,800
4091	Deferred Comp	12,600	12,600	10,800
4095	Longevity Pay	22,660	22,660	17,400
	PERSONNEL	1,117,647	1,089,059	975,465
4100	Insurance Benefits	198,346	198,346	125,025
4110	PERS	152,881	152,881	135,385
4111	Post Retirement Health Benefits	10,800	10,800	9,000
4114	PARS	12,892	12,892	7,346
4121	Workers' Comp	69,787	69,787	32,224
4130	FICA/Medicare	14,944	14,944	16,611
4140	Uniform Allowance	5,240	5,240	4,520
	FRINGE BENEFITS	464,890	464,890	330,112
5015	IT Support	20,000	20,000	20,600
5016	Software Maintenance	1,000	1,000	1,030
5080	Emergency Preparedness Services	32,025	32,025	32,986
5210	Police Dispatch	87,000	87,000	117,825
5220	Major Crimes Task Force	18,000	18,000	18,546
5242	Reports & Records Automation	11,000	15,263	24,002
5250	Marin Emergency Radio Authority	28,703	28,703	27,811
5266	Marin Information & Data Access S	8,300	8,300	8,549
5267	Mobile Data Maintenance Agreeme	3,500	3,500	5,719
5990	Other Contract/Outside Services	20,000	20,000	2,000
	OUTSIDE SERVICES	229,528	233,791	259,068
6000	Communications & Alarms	10,000	10,000	10,300
6020	Power - Gas & Electric	3,000	3,000	3,090
	UTILITIES	13,000	13,000	13,390

Police
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
6130	Equipment Maintenance - Corr	1,700	1,700	1,751
6150	Membership & Dues	1,750	1,750	1,803
6170	Confs, Meetings, Training	15,000	10,000	15,000
6175	Training (POST) Reimb	10,000	5,000	10,000
6176	Interoperability Law Enforcement f	6,600	6,600	6,600
6180	Vehicle/Equipment Leases	4,700	4,700	4,841
6190	Vehicle Maintenance - Corr	10,500	10,500	10,815
	OPERATIONS	50,250	40,250	50,810
7000	Office Supplies	5,300	5,300	5,459
7030	Printing & Reproduction	1,500	1,500	1,545
7050	Ammunition & Weapons	3,500	3,500	3,605
7080	Gas & Oil Supplies	12,000	12,000	12,360
7090	Protective Clothing/Safety	4,000	4,000	4,120
	MATERIALS AND SUPPLIES	26,300	26,300	27,089
TOTAL POLICE		1,901,615	1,867,291	1,655,933

Public Works
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
4000	Regular Salaries	494,609	494,609	512,256
4020	Overtime	667	0	1,000
4030	Sick Leave Conversion	19,268	11,082	22,572
4090	Auto Allowance	0	2,400	2,400
4091	Deferred Comp	9,000	9,000	9,000
4095	Longevity Pay	13,909	13,909	10,374
	PERSONNEL	537,453	531,000	557,602
4100	Insurance Benefits	135,440	135,440	135,676
4110	PERS	58,086	58,086	58,308
4112	Relocation Assistance	0	1,756	0
4114	PARS	7,346	7,346	7,345
4121	Workers' Comp	21,467	19,335	22,304
4130	FICA/Medicare	7,697	7,697	7,955
	FRINGE BENEFITS	230,036	229,660	231,588
5015	IT Support	9,000	9,000	9,270
5016	Software Maintenance	525	525	541
5250	Marin Emergency Radio Authority	8,982	8,982	8,703
5301	City Engineer	60,000	60,000	50,000
5320	Drainage Maintenance	10,000	10,000	10,300
5321	Silt Removal	10,000	10,000	10,300
5322	Videotaping	3,000	3,000	3,090
5335	Annual Vegetation Maintenance	55,000	30,000	45,000
5350	Street Trees (Outside)	42,000	55,000	55,000
5360	Poison Oak Control	1,500	1,500	1,545
5370	Marinmap Membership Fee	6,000	6,000	6,180
5980	Janitorial Contract Services	7,500	7,500	7,725
5990	Other Contract/Outside Services	12,000	8,000	12,000
	OUTSIDE SERVICES	225,507	209,507	219,654
6000	Communications & Alarms	5,700	6,000	5,871
6020	Power - Gas & Electric	10,300	10,300	10,609
6030	Power - Street Lights	12,300	12,300	12,669
6040	Power - Traffic Signal	600	600	618
6050	Water	22,000	24,000	24,000
	UTILITIES	50,900	53,200	53,767

Public Works
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
6131	Equipment Maintenance	500	500	15,000
6150	Membership & Dues	2,300	2,300	2,369
6170	Confs, Meetings, Training	8,500	5,000	8,500
6180	Vehicle/Equipment Leases	2,000	2,000	2,060
6191	Vehcl Maint	6,000	6,000	6,180
6200	Building Maintenance	11,000	15,000	14,000
6210	Irrigation Sys Maintenance	2,500	2,500	2,575
6220	Street Light Maintenance	4,000	4,000	4,120
6230	Permits	15,000	15,000	15,000
6240	Street Sweep - In-House	10,000	10,000	10,000
	OPERATIONS	61,800	62,300	79,804
7000	Office Supplies	2,600	2,600	2,678
7080	Gas & Oil Supplies	9,000	8,000	9,270
7090	Protective Clothing/Safety	5,600	5,600	5,768
7100	Construction Supplies	3,000	4,000	3,090
7110	Janitorial Supplies	2,500	2,500	2,575
7120	Park & Landscape Supplies	6,500	6,500	6,695
7140	Small Tools	2,000	2,000	2,060
7150	Traffic Control Supplies	2,600	2,600	2,678
7190	Other Materials & Supplies	6,000	6,000	6,180
	MATERIALS AND SUPPLIES	39,800	39,800	40,994
TOTAL PUBLIC WORKS		1,145,496	1,125,467	1,183,408

Recreation (The Ranch)
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
5980	Janitorial Contract Services	5,000	5,000	5,150
5982	Recreation Facility Contribution	35,500	35,500	36,565
5990	Other Contract/Outside Services	1,000	1,000	1,030
	OUTSIDE SERVICES	41,500	41,500	42,745
6020	Power - Gas & Electric	5,000	5,000	5,150
	UTILITIES	5,000	5,000	5,150
6140	Insurance	2,600	4,843	4,988
6200	Building Maintenance	5,700	2,500	5,871
	OPERATIONS	8,300	7,343	10,859
7110	Janitorial Supplies	2,500	2,500	2,575
7190	Other Materials & Supplies	500	500	515
	MATERIALS AND SUPPLIES	3,000	3,000	3,090
TOTAL RECREATION		57,800	56,843	61,844

Non-Departmental
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
4100	Insurance Benefits	40,000	40,000	42,000
4110	PERS	31,622	31,622	41,465
4114	PARS	13,865	13,865	19,411
	RETIREE FRINGE BENEFITS	85,487	85,487	102,876
5020	Richardson Bay Reg Agency	52,523	52,523	66,000
5030	Hazardous Material Response	850	850	850
5040	Animal Control JPA	31,372	31,372	28,789
5050	Congestion Mgmt Plan	5,490	5,490	5,490
5061	Homeward Bound of Marin	2,000	2,000	2,000
5062	Countywide Community Homeless	9,186	9,186	9,186
5071	Marin General Services Agency	7,359	7,359	5,415
5082	MCCMC Lobbyist	1,650	1,650	4,000
5083	Tiburon Peninsula Traffic Relief JPA	45,000	45,000	42,450
5090	Marin Telecommunications Agency	9,950	9,950	0
5091	LAFCO	3,930	3,930	4,048
	OUTSIDE SERVICES	169,310	169,310	168,228
6120	Community Activities	35,000	35,000	35,000
6122	Concerts in the Park	42,000	42,000	42,000
6140	Insurance	120,000	120,000	118,175
	OPERATIONS	197,000	197,000	195,175
TOTAL NON DEPARTMENTAL		451,797	451,797	466,279

Restricted Funds - Operating
Expenditure Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
5400	TFPD Contact	1,688,000	1,688,000	1,772,400
5410	Fire System Parts & Supplies	2,600	2,600	2,600
	FIRE FUND EXPENSES	1,690,600	1,690,600	1,775,000
2410	Pension-Related Debt	238,044	238,044	247,023
8040	Legal Damages/Settlements	525	10,000	525
	OTHER RESTRICTED FUNDS	238,569	248,044	247,548

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Capital Expenditures

Capital Improvements
Sources of Funds

		Source of Funds							
		General Fund Transfer	DWR Grant	Prop 68 Grant	Road Impact	Gas Tax	Co Transp	Co Parks	Equipment
Total Capital Revenue Collected:	664,750		165,000	200,000	175,750	60,000	50,000	13,000	1,000
PROJECTS:	Total Project \$								
CAPITAL PROJECTS:									
Spot Surface Repairs	45,000				45,000				
Paving	100,000				40,000	60,000			
Wooden Retaining Walls	17,000	17,000							
Emergency Drainage Repairs	10,000	10,000							
Corrugated Metal Pipe Replacement	25,000	25,000							
Levee Evaluation	300,000	135,000	165,000						
Park Lane Stair and Seating Area	20,000		16,000				4,000		
Lane Maintenance/Minor Repairs	30,000						30,000		
Lane Design & Engineering	20,000	4,000					16,000		
Community Park Water Well	19,000	6,000						13,000	
Install EV Charging Station at City Hall	15,000	15,000							
Solar Electric and EV Charging Stations near Corp Yard	130,000	26,000	104,000						
Refurbish Council Chamber Audience Chairs	13,000	13,000							
City Hall Security Upgrade	15,000	15,000							
City Hall ADA	25,000	25,000							
Sidewalk Repair Program	22,500	22,500							
Retaining Curbs	29,000	29,000							
San Rafael Ave and City Hall Safety Improvements	50,000	50,000							
Evacuation Assessment and Radio Purchase	65,000	65,000							
Miscellaneous Maintenance & Improvements	30,000	30,000							
Lower Golden Gate UUD20A Credit Option	69,000	69,000							
EQUIPMENT REPLACEMENTS:									
Equipment Replacements	20,000	19,000							1,000
Total Project Expenses	1,069,500	575,500	165,000	120,000	85,000	60,000	50,000	13,000	1,000
Remaining Capital Fund Balance carry-forward	170,750		-	80,000	90,750	-	-	-	-

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Capital
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
9000	Spot Surface Repairs	20,000	20,000	45,000
9001	Paving	300,000	282,335	100,000
	STREET IMPROVEMENTS	320,000	302,335	145,000
9055	Wooden Retaining Walls	0	0	17,000
9084	Retaining Wall	150,000	112,665	0
9100	Emergency Drainage Repairs	10,000	10,000	10,000
9099	Corrugated Metal Pipe Replacement	0	0	25,000
9511	Lagoon Rd	150,000	150,000	0
9513	Levee Evaluation	380,000	380,000	300,000
	INFRASTRUCTURE	690,000	652,665	352,000
9201	Lanes Initiative Program	450,000	400,000	0
9227	Eucalyptus Lane	100,000	75,000	0
9216	Park Lane Stair and Seating Area	0	0	20,000
9228	Lane Maintenance/Minor Repairs	20,000	20,000	30,000
9229	Lane Design & Engineering	20,000	20,000	20,000
	LANES	590,000	515,000	70,000
9527	Community Park Water Well	50,000	0	19,000
9357	Replacement of Community Park Rubber Matting	80,000	80,000	0
9358	San Rafael Ave Seawall Landscape Mulch	9,000	9,000	0
9354	Repair/Refurbish Lagoon Rd. Tennis Courts	21,450	19,950	0
	PARKS AND OPEN SPACE	160,450	108,950	19,000
9433	City Hall Roof Replacement	100,000	69,065	0
9434	Install EV Charging Station at City Hall	100,000	100,000	15,000
9436	Solar Electric and EV Charging Stations near Corp Yard	0	0	130,000
9492	City Hall Renovations	25,000	25,000	0
9494	Refurbish Council Chamber Audience Chairs	0	0	13,000
9495	City Hall Security Upgrade	0	0	15,000
9435	City Hall Foundation Drainage Repairs	25,000	25,000	0
9509	City Hall ADA	95,000	95,000	25,000
	COMMUNITY BUILDINGS	345,000	314,065	198,000
9585	Sidewalk Repair Program	0	0	22,500
9521	Traffic Engineering Study	12,000	12,000	0
9586	Retaining Curbs	0	0	29,000
9587	San Rafael Ave and City Hall Safety Improvements	0	0	50,000
9588	Evacuation Assessment and Radio Purchase	0	0	65,000
9582	Miscellaneous Maintenance & Improvements	30,000	30,000	30,000
	MISCELLANEOUS	42,000	42,000	196,500

Capital
Department Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
9583	Golden Gate/Belvedere Utility Underground District	20,000	20,000	0
9584	Lower Golden Gate Utility Underground Redesign	10,000	10,000	0
9591	Lower Golden Gate UUD20A Credit Option	0	0	69,000
9590	Undergrounding - Other Expenses	48,500	0	0
	UTILITY UNDERGROUNDING	78,500	30,000	69,000
TOTAL CAPITAL		2,225,950	1,965,015	1,049,500

Restricted Funds - Capital
Expenditure Budget

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Account	Item	FY20 Budget	FY20 Estimated Actuals	FY21 Recommended Budget
8090	Equipment Replacements	166,735	166,735	20,000
	OTHER RESTRICTED FUNDS	166,735	166,735	20,000

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A. STREETS

Most of these projects are funded from the Road Impact Fee account. Basic annual maintenance (crack filling, pavement marking, etc.) is funded primarily with gas tax revenues. Others have State or County funding as noted.

Pavement Spot Repair (annually)

Ongoing pavement repairs are necessary to keep the roadways free of potholes and ensure that road surface conditions remain at the high level expected by the community. Large areas of pavement distress must be repaired in order to avoid failure, often resulting in the need for emergency repairs during inclement weather. Projected costs associated with future pavement repair needs are determined by analysis during the Pavement Management Program Survey.

Street Improvement Program (annually)

These funds are used to repair large areas of distressed asphalt and maintain Belvedere roads. Crack sealing, traffic marking, roadway shoulder berms, slurry seal, and other road stabilization projects fall under this program. In FY18/19, these items were consolidated within the Street Improvement Program category to provide greater flexibility to staff in setting priorities as the year progresses and needs arise.

B. INFRASTRUCTURE

Guardrail Installations FY21/22, FY23/24

From time to time, Public Works receives requests to install wooden barriers for safety on roads around the community. Wooden safety barriers keep vehicles on the road and are preferred by the community over the metal beam type guardrails used along highways. City staff evaluates locations for guardrail installation.

Wooden Retaining Walls FY20/21, FY22/23, FY23/24, FY24/25

Retaining walls are needed at various locations. These walls are used to stabilize the soil to accommodate narrow roads, drainage, and fire hydrants.

Emergency Drainage Repairs (annually)

This funding provides for the repair of storm drain system failures that are detected during yearly preventative maintenance activities, including the replacement of drain inlet grates and other miscellaneous repairs on failed components of the drainage network.

Corrugated Metal Pipe Replacement FY20/21, FY21/22, FY23/24

Much of Belvedere's storm drainage system was constructed with galvanized metal pipe that has a lifespan of 40-50 years. These pipes need to be systematically replaced or re-lined to ensure that storm water does not erode the surrounding soil and hillsides.

Beach Rd/San Rafael Ave Levee Stabilization and Resiliency Analysis FY18/19 – FY20/21

This is a multi-year project; it uses carryforward funds that were unspent in the budget cycle along with new project funds. A focus will be placed on fortifying the levees for seismic events, along with other resiliency projects for the Island. Stetson Engineering Group has developed a work plan for evaluating the Beach Rd and San Rafael Ave levees for stabilization during this budget cycle. Once City Council approves a preferred design alternative, Stetson can begin the final design and environmental permitting process.

Emergency Seawall Repairs FY21/22

A noticeable shifting of the Beach Road seawall caused the City to spend nearly \$500,000 in FY18/19 to stabilize the wall by installing sheet piles to support a particularly vulnerable portion of it. Given the time that may be needed to develop and finance the more comprehensive seawall/levee/utility protection project, the City may need to fund other such emergency fixes to the Beach Road seawall.

C. LANES

Lanes Initiative Program

This program is intended to leverage public funds with community-derived funds to construct new lanes, and upgrade others throughout the City. This program has been placed on hold.

Park Lane Stair and Seating Area Project FY20/21

The lower segment of the Park Lane stairs must be rebuilt. This work will include the installation of a bench and seating area in a portion of City Right-of-Way near the staircase.

Hawthorn Lane (Centennial Park) Stair Rebuild FY21/22

This project will fund reconstruction of the upper wooden stairs connecting Bella Vista and Beach Road.

Lane Maintenance and Minor Repairs (annually)

Funds to replace and repair smaller segments of existing lanes, such as handrails and spot repairs.

Lane Design and Engineering (annually)

Necessary to fund surveys and geotechnical reports, this account will be directed towards identifying future lane construction projects.

D. PARKS & OPEN SPACE

These projects are usually funded from the General Fund and a county-wide sales tax override for parks. Through Proposition 68, the city anticipates receiving approximately \$200,000 from the state in grant funds. Priorities are recommended by the Parks and Open Space Committee.

Community Park Water Well/Water Meter Purchase FY 20/21.

During the past few watering seasons, the current water well has been unable to provide adequate flows for irrigation of the turf and landscape at Community Park during peak watering season. Exploration of a new water well should be considered near the park. This project will also be considered in tandem with purchase of an additional water meter from MMWD.

San Rafael Avenue Seawall Landscape Mulch Addition FY21/22 & FY23/24

This project involves adding mulch to the landscape along the seawall pathway to reduce weeds and maintain plant health.

Repair & Refurbish Community Park Basketball Courts FY22/23

The basketball courts will be weather sealed and re-coated/striped as needed.

Recoat Steel Railings – Corinthian and Beach Road FY21/22

The existing powder-coated rails have deteriorated due to exposure to the corrosive marine environment. Investigation into how these railings can be recoated will need to occur. These railings may also be replaced as part of a Seawall Improvement project along Beach Rd.

Beach Road Park FY21/22

California Proposition 68 grant funds allow for construction of new parks. \$100,000 of these funds are being earmarked toward construction of a linear park as part of the Seawall/Levee improvement project.

E. COMMUNITY BUILDINGS

Selected Painting of City Hall and Community Center FY21/22 & FY24/25

Due to variations in weather exposure, some elevations and areas of the building require more frequent repainting than others.

Install EV Charging Stations at City Hall and Corp Yard FY20/21

As part of the City's Sustainability efforts, additional electric vehicle charging stations will be installed at City Hall. An effort to encourage employees to drive electric vehicles is currently being developed, and the addition of charging stations would serve the public as well as city employees. An expanded program would include the installation of solar panels at the City's corporation yard and electric vehicle charging stations in the parking lot adjacent to Tom Price Park.

Refinish Wood Floors in Council Chambers FY24/25

The wood floors in the Council Chambers require refinishing. Periodic preventative maintenance keeps the wood from being damaged, which would require expensive sanding to remove deep scratches or even replacement of floor segments. This project involves sanding down the current finish and applying a new protective coating to the floors.

Refurbish Council Chambers Audience Chairs FY20/21

The fabric on the audience chairs in the Council Chambers is more than 15 years old and has been damaged by sunlight. The chairs were not replaced during the remodel in 2009. Staff has determined that re-upholstering is a less expensive alternative to replacement.

City Hall Security Upgrade FY20/21

Due to changes in staff and key distribution, this project would re-key the City facility-wide lock system to ensure security.

Miscellaneous Exterior Painting of Corporation Yard Building FY21/22 & FY23/24

A large portion of the Corporation Yard was painted in 2017. Minor spot painting is still needed to complete the second phase of the work.

City Hall Foundation Drainage Repair Project FY21/22

An extensive waterproof and drainage project is needed to stop groundwater from entering the lower floors of the City Hall and the Police Department during the rainy season. Due to cracks in the subterranean foundation, water enters the lower portions of the structure during heavy rain events. Areas in the Police Department are most affected by this water intrusion. This project will likely be combined with disability access upgrades to the front of City Hall.

City Hall ADA Compliance & Office Modification FY20/21 – FY23/24

Upgrades to City Hall that will enhance public access to and use of City Hall facilities, as well as improving functionality for City Hall staff, will be implemented throughout this period. Upgrades will be coordinated with maintenance activities and routine replacement of carpets, furnishings. A key priority will be changes to make the entrance to City Hall fully accessible and in compliance with ADA standards.

Community Center Kitchen Remodel FY24/25

Several of the appliances and fixtures in the kitchen area are worn. This project will fund a remodel of the kitchen with a focus on providing a durable yet attractive working environment conducive to light food preparation.

Community Center Founder's Room Furniture Replacement. FY23/24

A majority of the furniture in the Founders Room has become outdated and is showing signs of wear. New furnishings will be purchased and installed.

F. MISCELLANEOUS

Sidewalk Repair Program FY20/21, FY21/22, FY22/23

Property owners are responsible for maintaining sidewalk improvements along their frontage. Every 3 years, the City performs a city-wide inspection of all sidewalks and curb/gutters. Residents are notified of deficiencies. The City then partners with residents and repairs curb/gutters as necessary. Owners can participate in a city-managed project to correct deficiencies. Property owners must reimburse the City for repair costs, following notification and completion of work.

Traffic Engineer Study FY24/25

In order for the Police Department to successfully prosecute contested traffic citations for speeding, it is necessary to have a licensed Traffic Engineer prepare a survey and file a report with the Marin Municipal Court. Surveys and reports must be performed every 5 years. The last report was performed during FY19/20.

Retaining Curbs FY20/21

The installation of 18" high concrete curbs and monolithic gutter has been successful in stabilizing the uphill edge of pavement at a few Belvedere Island locations. This project will focus on new locations along Beach Rd and Belvedere Ave. The sloughing and erosion will be minimized; additionally, the installation will stop erosion from entering catch basin inlets, which causes storm water pollution in the Bay.

Survey Monuments FY21/22 & FY23/24

When funds are available, the City moves forward with its program to establish horizontal survey control monuments city-wide.

San Rafael Avenue and City Hall ADA Improvements FY20/21

A key pathway along San Rafael Ave, from Golden Gate Ave to City Hall, has been identified for accessibility improvements. These funds will be used for project development.

Evacuation Assessment and Radio Purchase FY20/21

To better prepare the City for fire and other natural disasters, this line item will fund a consultant's assessment of current evacuation strengths and vulnerabilities for Belvedere residents. This report will be presented to City Council along with recommended actions. This item will also partially fund the purchase of new 2-way radio equipment for the city's Block Captain Program.

Misc. Maintenance and Improvement Projects (Annually)

This item includes funding for minor drainage, park, landscape, building, lane, retaining wall and miscellaneous other projects. These are unexpected projects that arise and are brought to the attention of staff during each fiscal year.

G. UNDERGROUND UTILITY ASSESSMENT DISTRICTS

The costs of Utility Undergrounding are funded primarily by the sale of bonds by each District. The City contributes staff time for administration and management. When the City owns property within a district, an appropriate contribution is made.

Lower Golden Gate/Belvedere Utility Undergrounding FY20/21

This assessment district did not achieve majority voter approval in 2014 due to the high cost for several property owners. Staff will hire a firm to value engineer the project for potential savings. Additional savings may be possible through PG&E's Rule 20A program.

Five Year Capital Expenditure Plan

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

BUDGET ITEM	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
STREET IMPROVEMENTS					
Pavement Spot Repair	45,000	40,000	45,000	45,000	45,000
Street Improvement Program	100,000	100,000	300,000	300,000	400,000
Total Street Improvements	\$ 145,000	\$ 140,000	\$ 345,000	\$ 345,000	\$ 445,000
INFRASTRUCTURE					
Guardrail Installation and Repairs		15,000		15,000	
Wooden Retaining Walls	17,000		17,000	20,000	10,000
Emergency Drainage Repairs (CA State Requirement)	10,000	10,000	10,000	10,000	10,000
Corrugated Metal Pipe Replacement	25,000	25,000		25,000	
Levee Evaluation & Stabilization	300,000				
Emergency Seawall Repairs		400,000			
Total Infrastructure	\$ 352,000	\$ 450,000	\$ 27,000	\$ 70,000	\$ 20,000
LANES					
Lanes Initiative Program					
Park Lane Stair and Seating Area Project	20,000				
Hawthorn Lane (Centennial Park) Stair Rebuild		25,000			
Lane Maintenance/ Minor Repairs	30,000	5,000	20,000	20,000	20,000
Lane Design and Engineering	20,000	20,000	20,000	20,000	20,000
Total Lanes	\$ 70,000	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000
PARKS AND OPEN SPACE					
Community Park Water Well/ Water Meter Purchase	19,000				
San Rafael Avenue Seawall Landscape Mulch		9,000		10,000	
Repair & Refurbish Community Park Basketball Courts			16,000		
Recoat Steel Railings- Corinthian & Beach Road		20,000			
Beach Road Park		100,000			
Total Parks & Open Space	\$ 19,000	\$ 129,000	\$ 16,000	\$ 10,000	\$ -

Five Year Capital Expenditure Plan

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

BUDGET ITEM	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
COMMUNITY BUILDINGS					
Selected Painting of City Hall and Community Center		10,000			10,000
Installation of EV Charging Stations at City Hall	15,000				
Solar Electric and EV Charging Stations near Corp. Yard	130,000				
Refinish Wood Floors in Council Chambers					5,000
Refurbish Council Chambers Audience Chairs	13,000				
City Hall Security Upgrade	15,000				
Misc. Exterior Painting-Corp Yard Building		12,000		10,000	
City Hall Foundation Drainage Repairs		80,000			
City Hall ADA Compliance & Office Modification	25,000	12,000	12,000	12,000	
CC. Kitchen Remodel					65,000
CC. Founder's Room Furniture Replacement				20,000	
Total Community Buildings	\$ 198,000	\$ 114,000	\$ 12,000	\$ 42,000	\$ 80,000
MISCELLANEOUS					
Sidewalk Repair Program	22,500	22,500	22,500		
Traffic Engineer Study					18,000
Retaining Curbs	29,000				
Survey Monuments		10,000		10,000	
San Rafael Avenue and City Hall Safety Improvements	50,000				
Evacuation Assessment and Radio Purchase	65,000				
Misc. Maintenance & Improvements	30,000	30,000	30,000	30,000	30,000
Total Miscellaneous	\$ 196,500	\$ 62,500	\$ 52,500	\$ 40,000	\$ 48,000
UTILITY UNDERGROUNDING DISTRICTS					
Lower Golden Gate UUD 20A Credit Option		69,000			
Total Utility Undergrounding	\$ 69,000	\$ -	\$ -	\$ -	\$ -
TOTALS	1,049,500	945,500	492,500	547,000	633,000

Five Year Forecast

Five Year Revenue and Expenditure Projections
 FY20/21 to FY24/25

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

REVENUES					
FUND/ACTIVITY	FY20/21 PROPOSED BUDGET	FY21/22 Projections	FY22/23 Projections	FY23/24 Projections	FY24/25 Projections
GENERAL FUND					
Property Taxes:	\$5,911,829	\$6,030,066	\$6,150,667	\$6,396,694	\$6,716,529
Local Non-Property Taxes:	336,590	343,322	357,055	371,337	389,904
Licenses & Permits:	433,793	442,469	460,168	478,574	502,503
Fines & Forfeitures:	16,000	16,000	16,000	16,000	16,000
Investments & Property:	65,000	65,000	65,000	65,000	65,000
Revenue From Other Agencies:	146,435	149,363	155,338	161,551	169,629
Service Charges:	311,375	317,603	330,307	343,519	360,695
Miscellaneous Other Revenue:	37,000	37,740	39,250	40,820	42,861
Total GF Revenue	\$7,258,022	\$7,401,563	\$7,573,784	\$7,873,495	\$8,263,120
<i>% Change over prior year</i>	4.9%	2.0%	2.3%	4.0%	4.9%
FIRE FUND	947,932	983,953	1,021,343	1,060,154	1,100,440
<i>% Change over prior year</i>	2.6%	3.8%	3.8%	3.8%	3.8%
CAPITAL IMPROVEMENT FUND	475,000	140,000	145,600	151,424	158,995
<i>% Change over prior year</i>	91.5%	-70.5%	4.0%	4.0%	5.0%
ROAD IMPACT FEE FUND	175,750	179,265	186,436	193,893	203,588
<i>% Change over prior year</i>	-5.0%	2.0%	4.0%	4.0%	5.0%
EQUIPMENT REPLACEMENT FUND	1,000	1,000	1,000	1,000	1,000
<i>% Change over prior year</i>	-97.5%	0.0%	0.0%	0.0%	0.0%
MEASURE A (Parks) FUND	13,000	13,260	13,790	14,342	15,059
<i>% Change over prior year</i>	-23.9%	2.0%	4.0%	4.0%	5.0%
TOTAL REVENUE - ALL FUNDS	\$8,870,703	\$8,719,040	\$8,941,953	\$9,294,309	\$9,742,202
<i>% Change over prior year</i>	6.5%	-1.7%	2.6%	3.9%	4.8%

Five Year Revenue and Expenditure Projections
 FY20/21 to FY24/25

EXPENDITURES					
FUND/ACTIVITY	FY20/21 PROPOSED BUDGE	FY21/22 Projections	FY22/23 Projections	FY23/24 Projections	FY24/25 Projections
GENERAL FUND					
General Administration	\$1,033,928	\$1,066,046	\$1,106,989	\$1,142,686	\$1,182,331
Planning & Building	\$1,128,075	\$1,164,790	\$1,212,560	\$1,253,500	\$1,297,810
Police	\$1,655,933	\$1,713,900	\$1,805,790	\$1,869,977	\$1,941,231
Public Works	\$1,183,408	\$1,222,202	\$1,278,268	\$1,317,664	\$1,365,240
Recreation (The Ranch)	\$61,844	\$63,081	\$63,823	\$64,558	\$65,287
Non-Departmental	\$466,279	\$479,767	\$494,160	\$508,985	\$524,254
TOTAL GF EXPENDITURES	5,529,467	5,709,786	5,961,589	6,157,370	6,376,153
<i>% Change over prior year</i>	-0.6%	3.3%	4.4%	3.3%	3.6%
FIRE FUND					
	1,775,000	1,863,620	1,956,671	2,054,375	2,156,963
<i>% Change over prior year</i>	5.0%	5.0%	5.0%	5.0%	5.0%
CAPITAL IMPROVEMENT FUND					
	951,500	662,225	292,274	338,765	414,353
<i>% Change over prior year</i>	-42.2%	-30.4%	-55.9%	15.9%	22.3%
ROAD IMPACT FEE FUND					
	85,000	270,015	186,436	193,893	203,588
<i>% Change over prior year</i>	-71.9%	217.7%	-31.0%	4.0%	5.0%
MEASURE A (parks) FUND					
	13,000	13,260	13,790	14,342	15,059
<i>% Change over prior year</i>	-23.9%	2.0%	4.0%	4.0%	5.0%
EQUIPMENT REPLACEMENT FUND					
	20,000	20,000	80,000	80,000	80,000
<i>% Change over prior year</i>	-88.0%	0.0%	300.0%	0.0%	0.0%
PENSION-RELATED DEBT OBLIGATION FUND					
	247,023	250,556	243,643	241,618	249,371
<i>% Change over prior year</i>	3.8%	1.4%	-2.8%	-0.8%	3.2%
INSURANCE RESERVE FUND					
	525	525	525	525	525
<i>% Change over prior year</i>	-94.8%	0.0%	0.0%	0.0%	0.0%
TOTAL EXPENDITURES - ALL FUNDS	\$8,621,514	\$8,789,986	\$8,734,928	\$9,080,888	\$9,496,012
<i>% Change over prior year</i>	-10.5%	2.0%	-0.6%	4.0%	4.6%

Five Year Revenue and Expenditure Projections
 FY20/21 to FY24/25

City of Belvedere
 Operating and Capital Budget
 Fiscal Year 2020/2021

GENERAL FUND RESERVE PROJECTIONS					
	FY20/21 PROPOSED BUDGET	FY21/22 Projections	FY22/23 Projections	FY23/24 Projections	FY24/25 Projections
Prior Year General Fund Balance	\$ 3,498,225	\$ 3,446,664	\$ 3,476,467	\$ 3,583,492	\$ 3,696,912
General Fund Revenues	7,258,022	7,401,563	7,573,784	7,873,495	8,263,120
General Fund Expenditures	(5,529,467)	(5,709,786)	(5,961,589)	(6,157,370)	(6,376,153)
Transfers out of General Fund	(1,780,117)	(1,661,974)	(1,505,169)	(1,602,705)	(1,740,777)
Projected General Fund Balance	\$ 3,446,664	\$ 3,476,467	\$ 3,583,492	\$ 3,696,912	\$ 3,843,102
General Fund Reserve Calculations					
GF Expenses + Fire Transfer + Debt Service	\$ 6,603,558	\$ 6,840,008	\$ 7,140,560	\$ 7,393,209	\$ 7,682,047
Reserve Policy (50% of Operating + Fire)	3,301,779	3,420,004	3,570,280	3,696,604	3,841,023
Over (Under) Reserve Policy	\$ 144,886	\$ 56,463	\$ 13,212	\$ 308	\$ 2,079
GF balance as % of Operating Expenses	52%	51%	50%	50%	50%

Fund Balance Summary
FY20/21

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Fund	Fund Balance 7/1/2020	Revenues	Expenditures	Transfers in/(out)	Fund Balance 6/30/2021	Fund Balance inc/(dec)	Fund Balance inc/(dec)
100 General Fund	3,498,225	7,258,022	(5,529,467)	(1,780,117)	3,446,664	(51,561)	-1%
130 Fire Fund	0	947,932	(1,775,000)	827,068	0	0	0%
160 Insurance Reserve Fund	50,000	0	(525)	525	50,000	0	0%
100 Pension Reserve Fund	200,000	0	0	100,000	300,000	100,000	0%
500 Pension-related Debt Obligation Fund	0	0	(247,023)	247,023	0	0	0%
900 Capital Improvement Fund	0	475,000	(951,500)	586,500	110,000	110,000	0%
901 Road Impact Fee Fund	0	175,750	(85,000)	0	90,750	90,750	0%
902 Measure A Parks Fund	0	13,000	(13,000)	0	0	0	0%
210 Equipment Replacement Fund	0	1,000	(20,000)	19,000	0	0	0%
Total City Funds	3,748,225	8,870,704	(8,621,514)	0	3,997,414	249,189	7%

General Fund Reserve	
GF Expenses + Fire Transfer + Debt Service	6,603,558
General Fund Reserve Policy 50%	3,301,779
Projected General Fund Balance 6/30/21	52% 3,446,664
Over (Under) Policy	144,886

Fund Balance Summary
FY21/22

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Fund	Fund Balance 7/1/2021	Revenues	Expenditures	Transfers in/(out)	Fund Balance 6/30/2022	Fund Balance inc/(dec)	Fund Balance inc/(dec)
100 General Fund	3,446,664	7,401,563	(5,709,786)	(1,661,974)	3,476,467	29,803	1%
130 Fire Fund	0	983,953	(1,863,620)	879,667	0	0	0%
160 Insurance Reserve Fund	50,000	0	(525)	525	50,000	0	0%
100 Pension Reserve Fund	300,000	0	0	100,000	400,000	100,000	0%
500 Pension-related Debt Obligation Fund	0	0	(250,556)	250,556	0	0	0%
900 Capital Improvement Fund	110,000	140,000	(662,225)	412,225	0	(110,000)	0%
901 Road Impact Fee Fund	90,750	179,265	(270,015)		0	(90,751)	0%
902 Measure A Parks Fund	0	13,260	(13,260)	0	0	0	0%
210 Equipment Replacement Fund	0	1,000	(20,000)	19,000	0	0	0%
Total City Funds	3,997,414	8,719,040	(8,789,986)	(0)	3,926,467	(70,948)	-2%

General Fund Reserve	
GF Expenses + Fire Transfer + Debt Service	6,840,008
General Fund Reserve Policy 50%	3,420,004
Projected General Fund Balance 6/30/22	51% 3,476,467
Over (Under) Policy	56,463

Fund Balance Summary
FY22/23

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Fund	Fund Balance 7/1/2022	Revenues	Expenditures	Transfers in/(out)	Fund Balance 6/30/2023	Fund Balance inc/(dec)	Fund Balance inc/(dec)
100 General Fund	3,476,467	7,573,784	(5,961,589)	(1,505,169)	3,583,492	107,025	3%
130 Fire Fund	0	1,021,343	(1,956,671)	935,328	0	0	0%
160 Insurance Reserve Fund	50,000	0	(525)	525	50,000	0	0%
100 Pension Reserve Fund	400,000	0	0	100,000	500,000	100,000	0%
500 Pension-related Debt Obligation Fund	0	0	(243,643)	243,643	0	0	0%
900 Capital Improvement Fund	0	145,600	(292,274)	146,674	0	0	0%
901 Road Impact Fee Fund	0	186,436	(186,436)		0	0	0%
902 Measure A Parks Fund	0	13,790	(13,790)	0	0	0	0%
210 Equipment Replacement Fund	0	1,000	(80,000)	79,000	0	0	0%
Total City Funds	3,926,467	8,941,953	(8,734,928)	0	4,133,493	207,025	5%

General Fund Reserve	
GF Expenses + Fire Transfer + Debt Service	7,140,560
General Fund Reserve Policy 50%	3,570,280
Projected General Fund Balance 6/30/23	50% 3,583,492
Over (Under) Policy	13,212

Fund Balance Summary
FY23/24

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Fund	Fund Balance 7/1/2023	Revenues	Expenditures	Transfers in/(out)	Fund Balance 6/30/2024	Fund Balance inc/(dec)	Fund Balance inc/(dec)
100 General Fund	3,583,492	7,873,495	(6,157,370)	(1,602,705)	3,696,912	113,420	3%
130 Fire Fund	0	1,060,154	(2,054,375)	994,220	0	0	0%
160 Insurance Reserve Fund	50,000	0	(525)	525	50,000	0	0%
100 Pension Reserve Fund	500,000	0	0	100,000	600,000	100,000	0%
500 Pension-related Debt Obligation Fund	0	0	(241,618)	241,618	0	0	0%
900 Capital Improvement Fund	0	151,424	(338,765)	187,341	0	0	0%
901 Road Impact Fee Fund	0	193,893	(193,893)	0	0	0	0%
902 Measure A Parks Fund	0	14,342	(14,342)	0	0	0	0%
210 Equipment Replacement Fund	0	1,000	(80,000)	79,000	0	0	0%
Total City Funds	4,133,493	9,294,308	(9,080,888)	0	4,346,912	213,421	5%

General Fund Reserve		
GF Expenses + Fire Transfer + Debt Service		7,393,209
General Fund Reserve Policy 50%		3,696,604
Projected General Fund Balance 6/30/23	50%	3,696,912
Over (Under) Policy		308

Fund Balance Summary
FY24/25

City of Belvedere
Operating and Capital Budget
Fiscal Year 2020/2021

Fund	Fund Balance 7/1/2024	Revenues	Expenditures	Transfers in/(out)	Fund Balance 6/30/2025	Fund Balance inc/(dec)	Fund Balance inc/(dec)
100 General Fund	3,696,912	8,263,120	(6,376,153)	(1,740,777)	3,843,102	146,190	4%
130 Fire Fund	0	1,100,440	(2,156,963)	1,056,523	0	0	0%
160 Insurance Reserve Fund	50,000	0	(525)	525	50,000	0	0%
100 Pension Reserve Fund	600,000	0	0	100,000	700,000	100,000	0%
500 Pension-related Debt Obligation Fund	0	0	(249,371)	249,371	0	0	0%
900 Capital Improvement Fund	0	158,995	(414,353)	255,358	0	0	0%
901 Road Impact Fee Fund	0	203,588	(203,588)	0	0	0	0%
902 Measure A Parks Fund	0	15,059	(15,059)	0	0	0	0%
210 Equipment Replacement Fund	0	1,000	(80,000)	79,000	0	0	0%
Total City Funds	4,346,912	9,742,202	(9,496,012)	0	4,593,102	246,190	6%

General Fund Reserve	
GF Expenses + Fire Transfer + Debt Service	7,682,047
General Fund Reserve Policy 50%	3,841,023
Projected General Fund Balance 6/30/23	50% 3,843,102
Over (Under) Policy	2,079

Appendix

APPENDIX

Annual Appropriations Limit

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 2020-21 appropriation limits.

	AMOUNT	SOURCE
A. PRIOR YEAR LIMIT	\$ 3,227,994	
B. ADJUSTMENT FACTORS		
1. Population %	0.9940	Greater of City or County population percent increase
2. Inflation%	1.0373	State Finance/Assessor
3. Total Adjustment %	1.0311	(B1*B2)
C. THIS YEAR’S LIMIT		
1. Current year limit calculation	3,328,300	(A*B3)
2. Voter approved additional amt	947,932	Fire Tax Assessment
D. TOTAL CURRENT YEAR LIMIT	<u>\$ 4,276,232</u>	(C1+C2)

RESOURCES SUBJECT TO LIMITATION:

PROCEEDS OF TAXES

Property Taxes	\$ 5,911,829
Sales Taxes	97,090
Business Licenses	66,000
HOPTR	20,735
Interest Income Earned from Taxes	10,898

TOTAL SUBJECT TO LIMITATIONS \$ 6,106,552

EXCLUSIONS \$ (2,239,540)

APPROPRIATIONS SUBJECT TO LIMITATION \$ 3,867,012

Maximum allowable appropriation subject to limitations 2020-2021 fiscal year:	\$ 4,276,232
Less: Total appropriation subject to limitation for 2020-2021 fiscal year:	(3,867,012)
BALANCE UNDER ARTICLE XIIB LIMIT:	<u>\$ 409,220</u>

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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 three such Policies/Guidelines: General Fund Reserve, Pension Reserve, and Insurance 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 current fiscal year's General Fund expenditures, plus one half of the current fiscal year's General Fund transfer to the Fire Fund, plus one half of pension-related debt payments.
- 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. Pension Reserve:

- Target: It is the practice of the City to set aside up to \$100,000 per year in the Pension Reserve Fund for current or future unfunded pension liability and/or other post-employment benefit (OPEB) liability payments.
- Purpose: The Council may decide as part of its annual budget process to expend some or all of the accumulated Pensions Reserve Fund balance to pay down accrued unfunded pension or OPEB liability.
- Classification: The Pension Reserve Fund is classified as "Assigned" in the City's financial statements.

C. Insurance Reserve:

- Target: Reserves shall be maintained between \$50,000 and \$100,000 to allow for emergencies and numerous or large claims. Reserves shall be replenished through subsequent charges to the appropriate user departments.
- Purpose: This Fund is designed to cover claims and deductibles related to property and casualty insurance claims.
- Classification: The Insurance Reserve Fund is classified as "Assigned" in the City's financial statements.

POLICY 2.3 – PENSION/OPEB FUNDING

Monies from the Pension Reserve Fund (see Policy 2.2.2.B) may be used to pay down unfunded pension liability related to current and former City employees. In instances where the balance in the Pension Reserve Fund exceeds the accrued unfunded liability provided by CalPERS, the City may choose not to add to the Pension Reserve Fund. The City Council may elect to use funds from the Pension Reserve Fund to pay down unfunded liability balances related to employee pensions or post-employment benefits (OPEB).

The City contributes the annual unfunded accrued pension liability payment as required by CalPERS in July of each year. Funds for this purpose come from the City's annual operating fund, and are included in the operating budget by department.

The City also contributes the minimum allowable contribution to the CalPERS retiree health program for each employee who retires from the City. Funds for this purpose come from the City's annual operating fund, and are included in the operating budget by department.

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 policies.

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.