

Review and Update of City's Reserve Policy

- Current Investment Policy last updated November 2014
- Areas of Investment Policy to be updated:
 - Reserve Policy template (best practices)
 - Purpose of Reserve
 - Level of Reserve (%)
 - Categories of Reserve
 - Allowable Use of Reserves
 - Restoring Reserves (when utilized)
 - Priority for Use of Fund Balance in Excess of Reserve Policy
 - Other Funds (i.e. Enterprise Funds)
 - Level of General Fund Reserve
 - Currently set at 10% of Operating Revenues (undefined)
 - GFOA Guidance
 - Sample Reserve levels – selected agencies
 - Analysis of Economic “risk” (10-year history)
 - Preliminary recommendation
 - Increase General Fund Reserve Level from 10% to 15%, as follows:
 - Economic Uncertainty = 5%
 - Emergency Reserve = 10%
 - Update Capital Reserve from \$600,000 (unspecified) to \$1,000,000
 - Consider 2-month (17%) operating reserve for Parking Fund (City's sole Enterprise Fund)
 - Update obsolete provisions (ex. Measure E Reserve)

**General Fund Reserve Policy Survey
(City of Sausalito - March 2024)**

	General Fund	Reserve Level	Reserve Amount	Comments
Belvedere	8,585,407	50%	4,128,255 48.1%	General Fund, Fire Fund, Pension
Corte Madera	22,500,000	20%	4,500,000 est. 20.0%	
Fairfax	13,790,000	25%	2,800,000 assigned 809,952 other 26.2%	
Larkspur	21,000,000	25%	18,000,000 85.7%	% of Operating Budget
Mill Valley	32,700,000	15%	14,400,000 44.0%	
Novato	49,300,000	15%	7,395,000 policy 2,205,000 excess 19.47%	% of GF budget INCLUDING transfers
Ross	10,100,063	exceed 30% Operating \$1.5M Economic	6,497,219 64.3%	
San Anselmo	26,559,595	20%	8,197,445 30.9%	
San Rafael	100,000,000	10%	9,763,000 Committed 664,667 Unassigned 10.4%	% of Operating Revenues
Sausalito	20,340,377	5% Economic 10% Emergency	10,643,871 52.3%	
Tiburon	12,972,850	25%	6,250,000 48.2%	
Marin County	594,209,961	5% to 10%	55,600,000 9.36%	

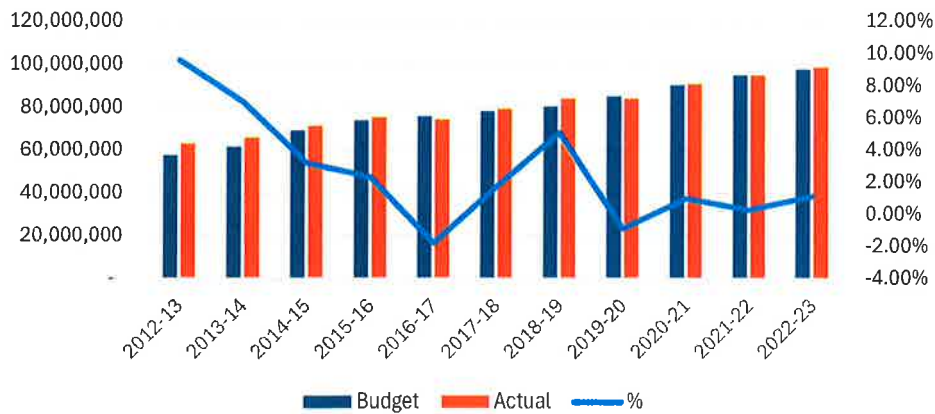
Other Agencies (selected)

	Reserve Level	Comments
Napa	20%	15% Operating 5% Emergency
Berkeley	30%	16.5% Economic Stability (55%) 13.5% Catastrophic (45%)
Santa Rosa	15% to 17%	Designated for contingencies
Benicia	20%	
Vacaville	16% - 25% 2-mos. to 3 mos. 20% (Target)	
Davis	15% Economic & Emergency	Up to 5% allocated to capital projects
Woodland	20% Economic & Emergency	% of GF Revenues Excluding one-time and pass-through

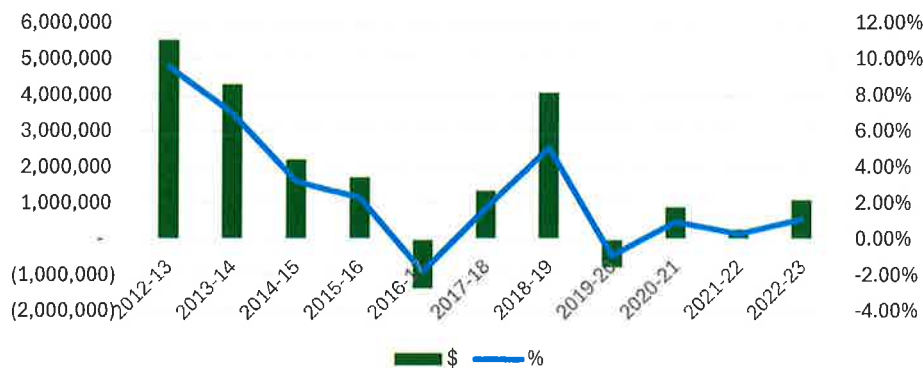
General Fund Revenues

	Budget	Actual	Variance	
			\$	%
2012-13	57,605,218	63,132,129	5,526,911	9.59%
2013-14	61,495,042	65,793,253	4,298,211	6.99%
2014-15	69,164,980	71,374,058	2,209,078	3.19%
2015-16	73,752,116	75,455,506	1,703,390	2.31%
2016-17	75,725,525	74,354,577	(1,370,948)	-1.81%
2017-18	78,080,787	79,414,391	1,333,604	1.71%
2018-19	80,189,911	84,245,518	4,055,607	5.06%
2019-20	84,984,261	84,204,553	(779,708)	-0.92%
2020-21	90,191,135	91,068,211	877,076	0.97%
2021-22	94,764,987	95,030,706	265,718	0.28%
2022-23	97,640,802	98,729,172	1,088,370	1.11%
2024-24				

General Fund Revenues
Budget vs Actual



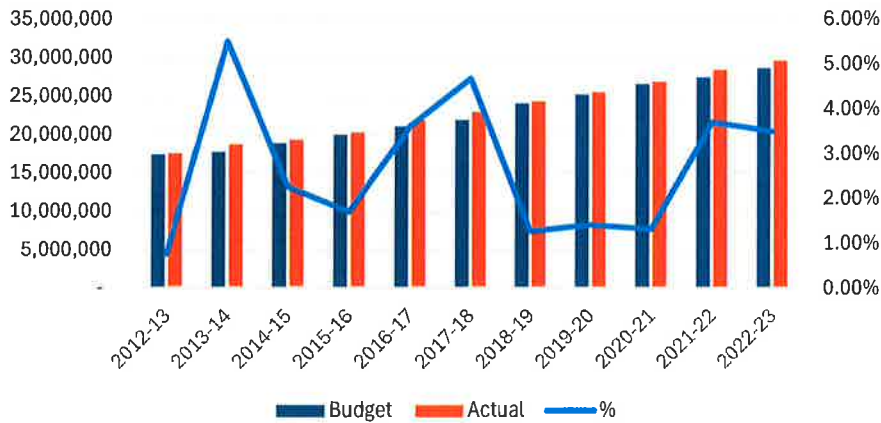
General Fund Revenues
Annual Budget Variance



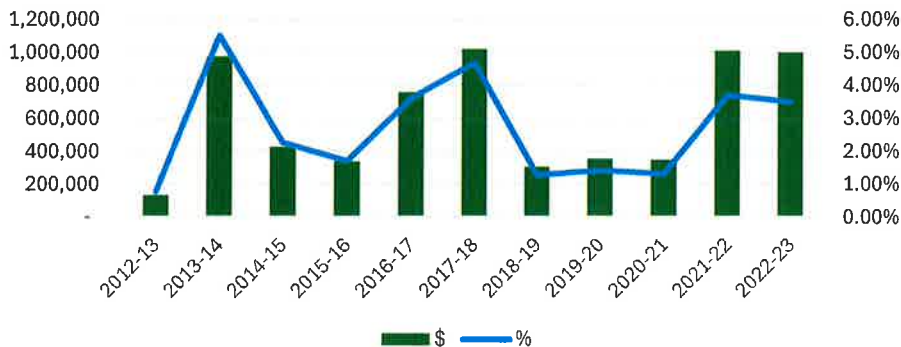
Property Tax Revenues

	Budget	Actual	Variance	
			\$	%
2012-13	17,362,448	17,493,606	131,158	0.76%
2013-14	17,679,710	18,651,446	971,736	5.50%
2014-15	18,815,430	19,238,724	423,294	2.25%
2015-16	19,873,197	20,209,175	335,978	1.69%
2016-17	20,994,430	21,749,548	755,118	3.60%
2017-18	21,820,000	22,837,548	1,017,548	4.66%
2018-19	23,956,578	24,259,183	302,605	1.26%
2019-20	25,095,340	25,446,540	351,200	1.40%
2020-21	26,509,224	26,855,282	346,058	1.31%
2021-22	27,345,660	28,353,675	1,008,015	3.69%
2022-23	28,579,721	29,577,191	997,469	3.49%
2024-24				

Property Tax Revenues
Budget vs Actual



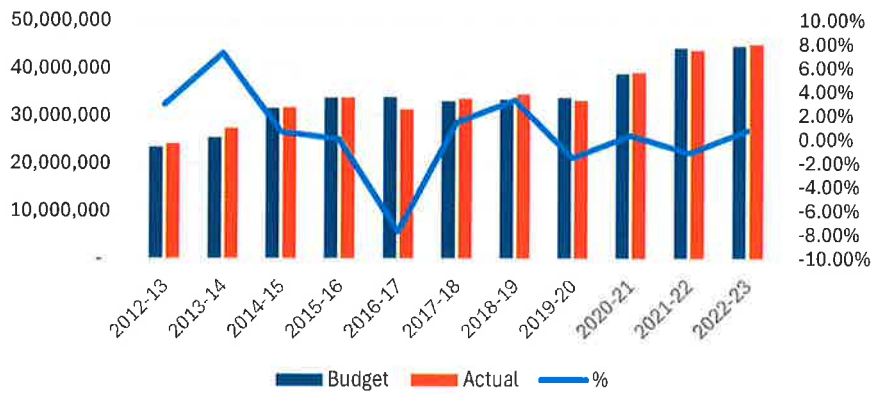
Property Tax Revenues
Annual Budget Variance



Sales Tax Revenues

	Budget	Actual	Variance	
			\$	%
2012-13	23,496,000	24,195,082	699,082	2.98%
2013-14	25,538,730	27,400,352	1,861,622	7.29%
2014-15	31,624,900	31,847,911	223,011	0.71%
2015-16	33,887,000	33,914,763	27,763	0.08%
2016-17	34,004,000	31,382,089	(2,621,911)	-7.71%
2017-18	33,172,000	33,660,528	488,528	1.47%
2018-19	33,471,000	34,585,703	1,114,703	3.33%
2019-20	33,822,000	33,316,108	(505,892)	-1.50%
2020-21	38,944,967	39,098,650	153,683	0.39%
2021-22	44,295,461	43,816,436	(479,025)	-1.08%
2022-23	44,679,042	45,045,910	366,868	0.82%
2024-24				

Sales Tax Revenues
Budget vs Actual



Sales Tax Revenues
Annual Budget Variance

