



# STAFF REPORT

## SAUSALITO CITY COUNCIL

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**MEETING DATE:** April 28, 2020

**AGENDA TITLE:** Review and discuss the Fiscal Year 2020-21 General Fund Base Budget and provide direction on the desired budget strategies to address the projected General Fund deficit caused by the COVID-19

**LEAD DEPARTMENT:** Administration

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### **RECOMMENDED MOTION:**

Review and discuss the base budget analysis of the FY 2020-21 General Fund Operating Budget.

### **BACKGROUND**

The Finance staff completed the FY 2020-21 Base Budget review of the City's Operating Budget (General Fund).

The City Council adopted the structurally balanced FY 2019-20 Budget on June 18, 2019. On April 14, 2020, staff presented the FY 2019-20 Midyear budget analysis that revealed a projected structural deficit of nearly \$820,000 due to the outbreak of the COVID-19. During the mid-year budget review, the Council authorized to balance the budget by a one-time use of the 10% shortfall policy designation in the operating contingency of the General Fund balance. Although the pandemic situation is still evolving, the City Council also directed staff to return at the following meeting with three realistic scenarios for the upcoming FY 2020-21 General Fund Base Budget that would allow evaluating the fiscal impact from the general revenue losses; identify the projected structural deficit; and provide direction for the desirable budget strategies to pursue, which are the subjects of today's discussion.

The City continues utilizing the modified zero-based budget methodology for the base FY 2019-20 budget. The modified zero-based budget is a systematic financial management strategy, commonly used by local governments, which will help achieve more cost-effective delivery of public services. Under the base budget concept, expenses must be demonstrated as necessary based on the current service level and are not assumed to carry over from prior years. Each new program should be considered in light of potential

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alternatives and priorities to allow the City to redirect efforts and funds from lower priority to higher priority programs.

The Finance Division prepared a base budget for each department at the current level of services and operations. The base budget is not an exact duplication of the prior year adopted budget because of actions that Council may have taken or provided direction that modified the budget over the course of the year and most notably because of the 2020-21 budget assumptions used to develop the base budget that are further described below.

The goal of any budget process is to develop the City's Budget by completing a full analysis of the City's revenue structure and current service level to identify necessary service increase and/or reduction options, which, when combined, will reach a balanced and sustainable budget. In developing the base budget for FY 2020-21, a number of revenue and expenditure assumptions were made by staff. All of these assumptions were based on the known projections and economic conditions and reflect the budget adjustments made in response to the COVID-19 that were approved by the Council during the mid-year budget review at the last meeting. As we are presenting this report in the midst of the unprecedented pandemic, we now realize that besides the evident devastating impact on public health and safety, the COVID-19 has just an overwhelming impact on the City's financial health affecting all aspects of the local economy, City revenues, and service delivery. Although we find this extremely challenging to be making sound financial projections during the rapidly changing situation related to the COVID-19 response, nevertheless, we developed three distinct scenarios to help us navigate through the potential impact of the COVID-19 on the FY 2020-21 Base Budget.

### **Financial Scenarios**

The focus of this budget review is primarily on the City's General Fund. The General Fund is the City's primary operating fund and is used to account for most day-to-day activities. It receives unrestricted revenues and provides the City's general administrative services, law enforcement, public works, parks and recreation, library, and community development related activities such as planning, building, and engineering. Revenue sources include but are not limited to property tax, sales tax, transient occupancy tax (TOT), business registration, and current fees for services such as parking charges, engineering, planning and building permit fees, and recreation services.

Staff developed the General Fund's base budget revenues using the following three scenarios impacting the City's tax-based revenue sources and program revenues

#### **Bad (most optimistic)**

- The COVID-19 Shelter-in-Place mandate is lifted before the end of June 2020;
  - Most local serving businesses would return to operating near normal by August 2020;
  - The U.S. avoids a recession, and the stock market returns to 90% of former highs by Year-End 2020;
  - The unemployment rebounds to roughly 6% from the current 15% by September 2020;
  - Leisure travel returns to 50% of normal in the second half of 2020, 75% by first-half of 2021, and 100% by the second half of 2021. This includes international travelers;
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- The real estate market would remain moderately strong based on the lower interest rates and stock market performance;
- The City's major tax revenues such as Sales Tax would be at the FY 2019-20 midyear Revised level and the TOT would fall 14% lower than the Revised FY 2019-20 budget
- The City's major tax revenues such as Sales Tax and Transient Occupancy Tax would be around 25% lower than the Revised FY 2019-20 levels;
- There is no major impact on the City's largest revenue source - Property tax, as it is based on the assessed valuation levied on January 1, 2020. There will be a minimal negative impact on property tax revenues because of potential appeals by property and small business owners.

**Worse (most probable)**

- The COVID-19 Shelter-in-Place mandate is partially lifted before the end of June, but with ongoing restrictions that hamper businesses through the end of 2020;
- Local serving businesses operate at 50% of the prior performance based on restrictions (spacing in restaurants, restrictions on the number of people inside buildings, etc.) through 2020, return to 75% by the first half of 2021, and 100% by second-half of 2021;
- The U.S. economy enters a prolonged recession well into 2021 and stock market flat-lines at current levels for the next 12 months;
- The unemployment rate slightly improves to 10% by September 2020;
- Leisure travel is relegated to local tourism, mostly resulting in 50% of what is achieved in scenario 1, and international travel is at 25% of historical levels;
- The real estate market will decline from historical levels mainly due to less demand for housing because of household income decline and poor stock market performance;
- The City's major tax revenues such as Sales Tax and TOT would be around 25% and 50%, respectively, lower than the "Bad" or Most Optimistic scenario;
- There is no major impact on the City's largest revenue source - Property tax, as it is based on assessed valuation levied on January 1, 2020. However, the projections include estimated lower tax receipts to reflect tax relief for homeowners and small business owners

**Ugly (most fearful)**

- The COVID-19 Shelter-in-Place mandate is partially lifted this summer, but the pandemic returns in early fall and the Shelter-in-Place is reinstated for the remainder of 2020;
  - Local serving businesses struggle with 25% closure rate, high vacancies by 2021;
  - The U.S. economy enters a deep recession/depression in the second-half of 2020 and the economy struggles for the next three years;
  - Unemployment increases to 15-20% for the balance of 2020, the stock market further declines from current levels;
  - Leisure travel is at 20% of normal and international leisure travel plummets to 10% of historical levels;
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- Real estate market would be severely hurt mainly due to less demand for housing because of household income decline and poor stock market performance;
- The City’s major tax revenues, such as Sales Tax and TOT combined, would be around 56% lower than the “Bad or Most Optimistic” scenario;
- The City’s major tax revenues, such as Sales Tax and TOT, would be around 75% lower than the historical levels;
- There is no major impact on the City’s largest revenue source - Property tax as it is based on assessed valuation levied on January 1, 2020. However, the projections include \$1.0 million lower tax receipts to reflect higher tax relief for homeowners and small business owners.

For the purpose of this analysis, staff targeted scenario # 2 as the most probable for the FY 2020-21 Base Budget, which is further described in the revenue assumptions below. However, the other two scenarios are also presented in the table below and the Attachment 2 to this staff report.

**Projected General Fund Revenues and Expenditures in FY 2020-21 Base Budget**

**FY 2020-21 Base Budget General Fund Revenues Assumptions**

The revised estimates for the General Fund revenues are projected to range from \$17.2 million per ‘Bad’ or most optimistic scenario to \$11.2 million per the ‘Ugly’ or most fearful scenario. The ‘Worse’ or most probable financial scenario projects the total revenues at \$14.3 million, which is \$3.2 million (18%) lower than the FY 2019-20 Revised Budget of \$17.5 million. The following table demonstrates the General Fund revenue estimates for the FY 2020-21 under the three financial scenarios as described above:

General Fund Revenues								
				Most Optimistic	Most Probable	Most Fearful		
	Actual FY 2018-19	FY 2019-20 Adopted	FY 2019-20 Revised	FY 2020-21 Bad	FY 2020-21 Worse	FY 2020-21 Ugly	\$ Change Worse Over Revised	% Change Worse Over Revised
Property Tax	5,685,073	5,374,834	5,566,834	6,043,200	5,452,200	4,783,200	(114,634)	-2%
Sales Tax	3,607,786	3,664,248	2,986,248	3,005,700	2,240,000	1,493,500	(746,248)	-25%
TOT	1,862,675	1,835,780	1,435,476	1,246,000	624,000	396,000	(811,476)	-57%
Business License	631,060	1,510,500	1,510,500	1,508,700	1,120,500	745,900	(390,000)	-26%
Permits	1,012,966	996,075	646,756	616,000	576,600	366,000	(70,156)	-11%
Franchise Fees	836,969	811,769	811,769	835,100	835,100	735,100	23,331	3%
Fines	676,406	550,472	330,042	477,000	331,000	242,300	958	0%
Parks & Rec Fees and Rentals	510,298	465,808	341,305	340,400	311,300	245,700	(30,005)	-9%
Other Rentals (cell towers, art fest)	285,703	295,000	295,000	304,000	304,000	304,000	9,000	3%
Investment Earnings	237,295	239,412	239,412	209,500	157,000	105,000	(82,412)	-34%
Fees for Services	219,799	136,621	153,340	154,600	150,600	76,500	(2,740)	-2%
Grants & Contributions	1,033,274	28,156	37,894	26,000	20,800	15,500	(17,094)	-45%
Intergovernmental	39,349	27,500	27,500	37,500	37,500	33,400	10,000	36%
Other Misc. Revenue	65,900	12,500	32,683	32,500	29,400	26,000	(3,283)	-10%
<b>Sub-total</b>	<b>16,704,552</b>	<b>15,948,674</b>	<b>14,414,760</b>	<b>14,836,200</b>	<b>12,190,000</b>	<b>9,568,100</b>	<b>(2,224,760)</b>	<b>-15%</b>
Transfers In	2,821,266	3,075,000	3,045,000	2,347,500	2,046,500	1,621,000	(998,500)	-33%
<b>Total</b>	<b>19,525,818</b>	<b>19,023,674</b>	<b>17,459,760</b>	<b>17,183,700</b>	<b>14,236,500</b>	<b>11,189,100</b>	<b>(3,223,260)</b>	<b>-18%</b>

The following are the major revenues projected for the FY2020-21 General Fund Base Budget under three different scenarios.

- **Property Tax** is the City's largest revenue source. They are projected between \$6.0 million and \$4.8 million under the three scenarios. Per the most probable scenario, property tax revenues are estimated at \$5.5 million, or \$114,600 (2%) lower than the FY 2019-20 Revised Budget.

Both secured and unsecured property taxes are levied based on the assessed real property valuation (the basis for property tax levy) as of January 1, 2020, which means that the COVID-19 would have no impact on City's FY2020-21 property taxes. However, homeowners and small business owners can file an appeal with Marin County's Assessor Office to lower their assessed valuation based on their business losses because of COVID-19. The 'Worse' scenario includes \$0.5 million loss in property tax revenue resulting from a partial approval of appeals. Under the 'Ugly' scenario', the provision for successful appeals is estimated by \$1.0 million.

- **Sales Tax** is the City's second-largest revenue source. Based on discussions with City's sales tax advisor and sales tax projections prepared by HdL the local sales activities forecast a dramatic drop in the point-of-sale activity resulting from the current shelter-in-place orders and uncertainty over its eventual ending or reoccurrence in 2020 fall as projected by various scientist and medical experts. As a result, it poses a challenge for sales tax consultants or City staff to project a credible sales tax revenue forecast. Using FY2019-20 Revised Budget of \$3.0 million as a base, the FY2020-21 projected sales tax range from a high of \$3.0 million, which is our most optimistic scenario to a low of \$1.5 million as most fearful development. Per the most probable economic scenario, sales tax revenues are estimated at \$2.2 million, which is \$0.8 million or 25% drop compared to FY 2019-20 Revised Budget. The projections will change as more information is available on the re-opening of National, State, or local economy and tourist activities.
  - **Transient Occupancy Tax (TOT)** is the third-largest revenue source for the City and is hardest hit by the current or possible future shelter-in-place scenarios, as described in three financial scenarios. Under each of these scenarios, national and international tourism would take a hard hit, which would negatively impact the City's hotel/motel occupancy and TOT revenues, which range from \$1.2 million to \$0.4 million under three scenarios. The most probable scenario forecast is at \$0.6 million, a decrease of \$0.8 million or 57% compared to FY2019-20 Revised Budget due to a significant drop in travel and tourism activities projected during the fall and winter of 2020.
  - **Business License Tax** receipts are estimated to decrease \$390,000 or 26% compared to FY2019-20 Revised Budget per the most probable scenario. The bulk of business license receipts are based on local business gross receipts, and they are likely to take a hit in all three financial scenarios.
  - **Permits** are projected to decrease by \$70,200 or 11% due to a significant drop in building and planning permit activities in Community Development related to the COVID-19, followed by already slow activity levels for the current year.
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- **Parks & Recreation Fees and Rentals** are projected to decrease by \$30,900 or 9% compared to FY2019-20 budgeted levels, which were also adjusted downward at midyear budget review due to closures and cancelations of recreation classes and programs. As described in the most probable scenario, all City leased facilities would be open for business at the start of FY2020-21, and recreation classes and activities will slowly return to its normal level. Please note that this may change if shelter in place is extended to the rest of 2020 based on the most fearful scenario.
- **Transfers in** the General Fund are being reduced by \$998,600 under the most probable scenario to reflect a loss in parking revenues due to lower tourism activities. The Base FY2020-21 budget indicates that only \$2.1 million will be collected for the year under the most probable' scenario, triggering a reduction of the General fund transfer. The lower transfers also reflect projected decline in rental revenues in other non-general funds such as Tideland, MLK, and Old City Hall funds, which would result in a reduced level of transfers to the General Fund.
- **Investment earnings** are projected to drop by \$82,000 or 34% due to a decrease in portfolio balances resulting from lower revenues and deferral of sales tax receipts per the State program for small businesses. The interest rates on investment are also projected to be lower due to recent Fed actions.

#### **FY 2020-21 Base Budget General Fund Expenditures Assumptions**

Total General Fund budget expenditures are projected at \$19.2 million at the Base budget level. We have not made any assumptions for capital transfers since the Council has not yet discussed the recommended capital projects. The staff has not yet build-in any General Fund transfers towards the CIP program, including the Measure O. However, it is important to note that the General Fund contribution towards the CIP program will be only limited to (or below) the projected Measure O allocations, that is reduced to \$0.9 million under the most probable scenario and will be a subject to Council policy decision. We also need to keep in mind that any General Fund contribution to Capital will increase the General Fund deficit. Staff will return to Council at a future meeting with the CIP program recommendations, which will likely be limited to projects either previously approved with dedicated funding sources, legally mandated, or those that present an immediate threat to public health and safety.

The table below demonstrates the General Fund expenditure estimates for FY 2020-21 at the Base Budget level.

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<b>General Fund Expenditures</b>						
	<b>Actual FY 2018-19</b>	<b>FY2019-20 Adopted</b>	<b>FY 2019-20 Revised</b>	<b>FY 2020-21 Base</b>	<b>\$ Change Base Over Revised</b>	<b>% Change Base Over Revised</b>
Salaries & Benefits	10,564,687	12,174,973	12,389,449	13,199,800	810,351	7%
Contract Services	2,288,329	2,203,493	2,936,273	2,528,700	(407,573)	-14%
Materials & Supplies	2,270,116	2,470,586	2,495,586	2,259,700	(235,886)	-9%
Salary Savings			(400,000)		400,000	-100%
<b>Sub-Total</b>	<b>15,123,132</b>	<b>16,849,052</b>	<b>17,421,308</b>	<b>17,988,200</b>	<b>566,892</b>	<b>3%</b>
Transfers Out	2,951,060	3,376,810	3,376,810	1,212,800	(2,164,010)	-64%
<b>Total</b>	<b>18,074,192</b>	<b>20,225,862</b>	<b>20,798,119</b>	<b>19,201,000</b>	<b>(1,597,119)</b>	<b>-8%</b>

Below are the key assumptions:

- Salary and Benefits projections include funding for 75 full-time equivalent (FTE) positions citywide, with 71 FTE allocated in the General Fund.
- Vacant positions are budgeted at top step with “employee plus one” cafeteria plan assumption for health benefits. Projections also include salary step increases for staff members who may be eligible on their performance review dates.
- FY 2020-21 PERS retirement rates are budgeted as provided by CalPERS: Tier 1 (2.5% @ 55) at 13.15 % for classic miscellaneous and 23.56% for classic safety members and Tier 2 (2% @ 55) at 11.2% for miscellaneous and 19.83% for safety. PEPR rate is 7.87% for miscellaneous and 13.88% for safety employees without prior municipal experience or who have had a break in service.
- Salaries and Benefits Projections have been funded at 100%, including all current known MOU provisions that are scheduled to go in effect on July 1, 2020.
- Outside legal counsel cost increased from the last year’s Budget of \$76,500 to \$150,000 based on a three-year historical average.
- PERS UAAL payment increased for Safety and Miscellaneous employees by approximately \$355,000 or 17%. FY2020-21 rates are budgeted as provided by CalPERS.
- An additional contribution to the pension trust is budgeted at \$215,000, which is consistent with the Council funding strategy previously-approved in FY2018-19.
- Other Post Employment Benefits (OPEB) have been funded at \$256,000 or 100% of the Actuarially Determined Contribution (ADC) based on the information provided in the actuarial valuation completed in October 2019.
- Expenditures for Workers’ Compensation and General Liability programs are budgeted at \$500,000 and \$350,000, respectively, and assumed a 5% increase in insurance premiums over the prior year.
- The cost of utilities for water and sewer increased by \$70,000 and \$25,000, respectively, based on the increase in rates and usage to cover water use in City

parks, fire line connection installation for Dunphy Park, as well as sewer treatment charges for the Gazebo restroom.

- Professional Services' contractual obligations were increased by 2% over the FY 2019-20 Revised Budget to account for normal CPI increases unless the exact cost estimate for specific contracts has been received and included in the Budget.
- Operating Expenses are set at 1.5% over the FY 2019-20 Revised Budget to account for normal inflationary increases.

### **Projected Fund Balance Structure**

The FY 2019-20 Operating and Capital Budget was adopted as a balanced budget, meaning that the City's operating expenditures did not exceed general revenues. While staff presented some structural surplus at budget adoption, we reported a structural deficit of approximately \$820,000 projected for the end of FY 2019-20 as part of the mid-year analysis. As we completed the FY 2020-21 Base Budget, we regret to report that the structural deficit amplified to \$2.0 million under the most optimistic scenario and gets only worse to \$5.0 million under the most probable and \$8.0 million under the most fearful (Attachment 1). This means that the general revenues could no longer support operating expenditures without taking severe measures to balance the budget.

Staff will be providing Council with a number of budget strategies for consideration from the use of fund balances, reduction of designated General Fund reserves (e.g., Budget Stabilization and Shortfall contingencies) and reduction and restructuring of City services during the Council presentation, but most of this discussion will be happening at the following meeting in May.

The chart below demonstrates the projected General Fund balance under all three scenarios. Under GASB 54, this balance is made up of the following components: *non-spendable* items or portions of fund balance that cannot be liquidated, *restricted* amounts for use by outside agencies, *committed* amounts by Council action such as emergency/contingency reserves and *assigned* balances to pay off unfunded liabilities and to fund infrastructure improvements.

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**GENERAL FUND (RESTRICTED & UNRESTRICTED BALANCES)**

Designations	Adopted Budget 2019-20	Revised Budget 2019-20	Most Optimistic	Most Probable	Most Fearful
			FY 2020-21 Bad	FY 2020-21 Worse	FY 2020-21 Ugly
Beginning Fund Balance	\$ 9,342,049	\$ 12,571,770	\$ 9,233,400	\$ 9,233,400	\$ 9,233,400
Total Revenue	19,023,674	17,459,760	17,183,700	14,236,500	11,189,000
Total Expenditures	20,225,862	20,798,119	19,201,000	19,201,000	19,201,000
Ending Fund Balance	8,139,861	9,233,411	7,216,100	4,268,900	1,221,400
Non-Spendable	2,485,986	1,676,420	1,676,400	1,676,400	1,676,400
Restricted Reserves (Pension)	1,450,624	1,788,163	1,788,200	1,788,200	1,788,200
<b>Operating Contingency</b>					
Mudslides Cleanup Designation	50,000	50,000	50,000	50,000	-
5% Budget Stabilization Policy	885,353	913,966	960,100	754,300	-
10% Shortfall Policy*	1,770,707	1,008,366	1,920,100		
Total Designations	6,642,671	5,436,916	6,394,800	4,268,900	3,464,600
Undesignated Fund Balance	1,497,190	3,796,495	821,300	-	(2,243,200)
Operating Expenses	17,707,069	18,279,326	19,201,000	19,201,000	19,201,000
Ending Fund Balance as % of Op. Expenses	46%	51%	38%	22%	6%

\*The 10% Shortfall Policy line-item has been reduced by the projected structural deficit of \$819,566 in the FY 2019-20 Revised Budget. The remaining \$1 million represents about 5.5% of Operating Expenditures. In the FY2020-21 Base Budget the combined 15% Shortfall and Budget Stabilization Policy would have to be reduced to 3.9% to prevent from going in negative undesignated reserves under the Worse scenario. However, under the Ugly scenario the entire general fund reserves are being depleted before the end of the FY2020-21.

At the FY 2020-21 Base Budget level, the General Fund balance operating contingencies would have to be reduced for the most probable scenario to keep the undesignated balance from going into negative. While the most fearful scenario would simply deplete the entire General Fund balance and the City would not be able to cover its non-spendable reserves.

Again, this table is presented with the only purpose to demonstrate the magnitude of the financial problem for the upcoming year if the City continues operations at the current service level. It does not take into account any budget strategies and recommendations that staff will be bringing forward to reach a balanced and sustainable budget.

**Next Steps**

The goal of any budget process is to develop the City's Budget by completing a full analysis of the City's revenue structure and current service level to identify necessary service increase and/or reduction options, which, when combined, will reach a balanced and sustainable budget. To this extent, each department will be provided a base budget expenditure allotment consistent with the authorized FY 2019-20 budget as presented in this report, adjusted by known personnel salary and benefit increases, previously approved adjustments, and inflationary increase for operational expenses. Each department will then be given an opportunity to submit prioritized program changes for service reductions to the base budget that will be presented to Council on May 12, 2020

Staff recommendations for service changes will be based on many factors, including the Council's strategic vision and service-level impact on the overall City operations and services provided to the community. The goal of this process is to identify the necessary and/or desirable service reduction options, which combined will reach a balanced and sustainable budget. To this end, the City Manager will review department requests and formulate a packaged budget recommendation for Council's consideration.

The City of Sausalito prides itself on an open, inclusive, and comprehensive biennial budget process that values the input of Boards and Commissions as well as various community partners. This process traditionally takes place over the course of several months and involves a number of Finance Committee meetings and Council study sessions in which the public has been invited to participate.

Due to an unprecedented public health crisis and accompanying State of Emergency at the National, State, and local levels, the City of Sausalito will be unable to complete the traditional budget development process prior to June 30, 2020. The State of Emergency has been declared by the City of Sausalito in conjunction with the recommendation will have significant impacts on the City's ability to engage the public in a meaningful dialog concerning the next year's operating and capital budget.

The budget work presents to be a significant burden on staff under the current situation. Projected personnel shortages due to overwhelming needs related to COVID-19 response are expected to significantly reduce the ability of City staff to complete the necessary detailed financial projections required to complete a new budget. Finance staff is now actively engaged in overwhelming financial support functions that are expected to accompany the COVID-19 response citywide. This is in addition to the Finance division still suffering from two vacancies created by recent retirements and pursuing other major previously scheduled projects like outsourcing the City's payroll function.

Staff is planning to return at the next meeting to present the FY 2020-21 base budget for other (than General) funds, including the recommended CIP program for the FY 2020-21, as well as the list of budget options to consider for programmatic reductions in spending and level of services. Once Council provides direction on what options to pursue, staff will recommend adoption of a continuing resolution at the subsequent meeting to declare that the Revised FY2019-20 Operating and Capital Budget will be carried over as the FY2020-21 Budget for at least the first quarter of the fiscal year and revised and adjusted then.

Continuing budget resolution would allow staff to understand better the impact of COVID-19 on the City revenues and service delivery and take needed time to develop and refine the desired budget strategies for service-level changes to ensure sustainable delivery of core services under the structurally balanced Budget. To this end, staff will continue to monitor the City's financial condition and will revise the budget assumptions based on any new information as it becomes available, so the City Manager can formulate a packaged budget recommendations of appropriate service reductions for City Council to consider.

### **ALTERNATIVES**

This is informational item only, Council may choose to defer a discussion of the base budget until future date.

### **FISCAL IMPACT**

There is no action associated with this item, this is an informational presentation only.

### **STAFF RECOMMENDATIONS**

Staff recommends that the City Council review and discuss the FY 2020-21 Base Budget Assumptions and projections.

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## **ATTACHMENTS**

1. FY 2020-21 Base Budget General Fund Structural Deficit
2. FY 2020-21 Base Budget General Fund Revenues and Expenditures
3. FY 2020-21 Base Budget General Fund Restricted and Unrestricted Fund Balances

PREPARED BY: Yulia Carter, Assistant City Manager and Admin. Services Director

REVIEWED BY: Mary Wagner, City Attorney

SUBMITTED BY: Adam W. Politzer, City Manager

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