

Sebastopol Deficit Solutions - Calculation Sheet #3 (Drafted by Diana Rich, on Nov 10, 2023. See resource list below.)

1/4% Sales Tax Plus \$1.5M beginning July 1, 2027

\$4.5M from 1/4% Sales Tax plus additional \$6.3M needed over the course of 4 years from July 2026 to 2029-30

Uncertain success in meeting \$10.4M need- remaining \$6.3M needed beyond 1/4% sales tax is substantial with very little time to accumulate it.

.25% SALES TAX PLUS \$1.5M STARTING JULY 1, 2026							
Current Forecast	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Revenue	\$10,860,460	\$11,022,140	\$11,259,630	\$11,497,043	\$11,732,327	\$11,967,541	\$12,202,394
Expenses	(\$12,537,996)	(\$12,489,796)	(\$12,827,017)	(\$13,239,030)	(\$13,656,076)	(\$14,311,580)	(\$14,781,697)
Deficit/Surplus	(\$1,677,536)	(\$1,467,656)	(\$1,567,387)	(\$1,741,987)	(\$1,923,749)	(\$2,344,039)	(\$2,579,303)
Add 1/4 % Sales Tax 2024	NA	\$195,250	\$806,000	\$831,000	\$853,000	\$875,000	\$896,000
Add \$1.5M more July 1, 2026	NA	NA		\$1,500,000	\$1,545,000	\$1,591,350	\$1,639,091
Forecast-1/4% Sales Tax+\$1.5M	(\$1,677,536)	(\$1,272,406)	(\$761,387)	\$589,013	\$474,251	\$122,311	(\$44,213)
Reserve-1/4% Sales Tax+\$1.5M	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Start of Year Reserves	\$5,118,800	\$3,441,264	\$2,168,858	\$1,407,471	\$1,996,484	\$2,470,735	\$2,593,046
Amount used or added	(\$1,677,536)	(\$1,272,406)	(\$761,387)	\$589,013	\$474,251	\$122,311	(\$44,213)
End of Year Reserves	\$3,441,264	\$2,168,858	\$1,407,471	\$1,996,484	\$2,470,735	\$2,593,046	\$2,548,834
Reserve as % of Expenses	27.4%	17.4%	11.0%	15.1%	18.1%	18.1%	17.2%

\$13.3M Total Deficit

\$10.7K new \$\$:
\$4.5M Tax \$\$
\$6.3M add'l \$\$

Balanced budgets (mostly)

15% reserve achieved

* 3% increase each year to get to this final amount...

Resources:

[2023-24 Adopted Sebastopol Budget](#)

[Oct 17 Staff Report with Revenue Options](#)