Sebastopol Deficit Solutions - Calculation Sheet #1 (Drafted by Diana Rich, on Nov 10, 2023. See resource list below.)

Overview - New Funding Needed for Sebastopol to Achive a Balanced Budget with 15% in Reserves by 2029-30

\$10.4M total in new funds are needed by 2029-30.

\$2.5 annually beginning on July 1, 2026 and increasing 3% annually, would meet the goal.

Forecast-Add \$2.5M 7/1/26 2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30 Current Forecast \$10,860,460 \$11,022,140 \$11,259,630 \$11,497,043 \$11,732,327 \$11,967,541 \$12,202,394 Deficit 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) \$10.4M in Add \$2.5M starting 7/1/26 \$0 \$0 \$0 \$2 \$2486,000 \$2,560,580 \$2,637,397 \$2,716,519 \$10.4M in Reserve-w/\$2.5M \$11,677,536 (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 Balanced Balanced \$1,150,234 \$1,150,234 \$1,787,065 \$2,080,423 \$1,721,66 \$10,80,423 \$1,721,66 \$10,80,423 \$1,721,66 \$10,80,423 \$1,721,66 \$10,80,423 \$10,80,423 \$11,72,66 \$2,080,423 \$13,7216 \$10,80,721,66,72,736 \$11,60,234 \$1,787			e		2				
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) (\$14,311,580) (\$14,781,697) Deficit/Surplus (\$1,677,536) (\$1,467,656) (\$1,567,387) (\$1,923,749) (\$2,344,039) (\$2,579,303) Add \$2.5M starting 7/1/26 \$0 \$0 \$0 \$2,486,000 \$2,560,580 \$2,637,397 \$2,716,519 \$10.4M in new \$\$ Forecast-\$2.5M as of 7/1/26 (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 Balanced budgets Start of Year Reserves \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,787,065 \$2,080,423 \$2,217,640 Reserve as % of Expenses 27.4% 15.8% 3.2% 13.1% 14.5% 15.0%	Forecast-Add \$2.5M 7/1/26	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	
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) (\$1,923,749) (\$2,344,039) (\$2,579,303) \$10.4M in new \$\$ Add \$2.5M starting 7/1/26 \$0 \$0 \$0 \$2,486,000 \$2,560,580 \$2,637,397 \$2,716,519 *<	Current Forecast								\$13.3M Total
Deficit/Surplus (\$1,677,536) (\$1,467,656) (\$1,567,387) (\$1,923,749) (\$2,344,039) (\$2,579,303) \$10.4M in new \$\$ Add \$2.5M starting 7/1/26 \$0 \$0 \$0 \$0 \$2,486,000 \$2,560,580 \$2,637,397 \$2,716,519 * new \$\$ Forecast-\$2.5M as of 7/1/26 (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 Reserve-w/\$2.5M \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 Balanced budgets Start of Year Reserves \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 Reserve as % of Expenses \$27.4% 15.8% 3.2% 13.1% 14.5% 15.0% 15% reserve	Revenue	\$10,860,460	\$11,022,140	\$11,259,630	\$11,497,043	\$11,732,327	\$11,967,541	\$12,202,394	Deficit
Add \$2.5M starting 7/1/26 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$2,486,000 \$2,560,580 \$2,637,397 \$2,716,519 * new \$\$ Forecast-\$2.5M as of 7/1/26 (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 Balanced Reserve-w/\$2.5M \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 Balanced budgets Start of Year Reserves \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$137,216 Balanced budgets End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 15.% reserve Reserve as % of Expenses \$2,74% 15.8% 3.2% 3.2% 13.1% 14.5% 15.0%	Expenses	<u>(\$12,537,996)</u>	<u>(\$12,489,796)</u>	<u>(\$12,827,017)</u>	<u>(\$13,239,030)</u>	<u>(\$13,656,076)</u>	<u>(\$14,311,580)</u>	<u>(\$14,781,697)</u>	
Forecast-\$2.5M as of 7/1/26 (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 Balanced budgets Reserve-w/\$2.5M Start of Year Reserves \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 Amount used or added (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$137,216 Reserve as % of Expenses \$2,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 Reserve as % of Expenses \$27.4% 15.8% 3.2% 13.1% 14.5% 15.0%	Deficit/Surplus	(\$1,677,536)	(\$1,467,656)	(\$1,567,387)	(\$1,741,987)	(\$1,923,749)	(\$2,344,039)	(\$2,579,303)	\$10.4M in
Reserve-w/\$2.5M Start of Year Reserves \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 budgets Start of Year Reserves \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$137,216 Amount used or added (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 Reserve as % of Expenses 27.4% 15.8% 3.2% 13.1% 14.5% 15.0%	Add \$2.5M starting 7/1/26	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,486,000</u>	<u>\$2,560,580</u>	<u>\$2,637,397</u>	<u>\$2,716,519</u>	* 💳 new \$\$
Reserve-w/\$2.5M k budgets Start of Year Reserves \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$budgets Amount used or added (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$22,217,640 Reserve as % of Expenses \$27.4% 15.8% 3.2% 13.1% 14.5% 15.0% 15% reserve	Forecast-\$2.5M as of 7/1/26	(\$1,677,536)	(\$1,467,656)	(\$1,567,387)	\$744,013	\$636,831	\$293,358	\$137,216	
Start of Year Reserves \$5,118,800 \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 Amount used or added (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 Reserve as % of Expenses \$27.4% 15.8% 3.2% \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 In the serve as % of Expenses \$27.4% 15.8% 3.2% \$13.1% 14.5% 15.0% \$15.8%									Balanced
Amount used or added (\$1,677,536) (\$1,467,656) (\$1,567,387) \$744,013 \$636,831 \$293,358 \$137,216 End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 Reserve as % of Expenses 27.4% 15.8% 3.2% 13.1% 14.5% 15.0%	Reserve-w/\$2.5M								budgets
End of Year Reserves \$3,441,264 \$1,973,608 \$406,221 \$1,150,234 \$1,787,065 \$2,080,423 \$2,217,640 Reserve as % of Expenses 27.4% 15.8% 3.2% 13.1% 14.5% 15.0% 450%	Start of Year Reserves	\$5,118,800	\$3,441,264	\$1,973,608	\$406,221	\$1,150,234	\$1,787,065	\$2,080,423	
Reserve as % of Expenses 27.4% 15.8% 3.2% 13.1% 14.5% 15.0% 44.5	Amount used or added	<u>(\$1,677,536)</u>	<u>(\$1,467,656)</u>	<u>(\$1,567,387)</u>	<u>\$744,013</u>	<u>\$636,831</u>	<u>\$293,358</u>	<u>\$137,216</u>	
	End of Year Reserves	\$3,441,264	\$1,973,608	\$406,221	\$1,150,234	\$1,787,065	\$2,080,423	\$2,217,640	
Ref: Reserves Before \$2.5M 7/1/26 27.4% 15.8% 3.2% -10.1% -23.9% -39.2% -55.4%	Reserve as % of Expenses	27.4%	15.8%	3.2%		13.1%	14.5%	15.0%	← 15% reserve
	Ref: Reserves Before \$2.5M 7/1/26	27.4%	15.8%	3.2%	-10.1%	-23.9%	-39.2%	-55.4%	

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

Resources:

2023-24 Adopted Sebastopol Budget

Oct 17 Staff Report with Revenue Options