

RESOLUTION 2019-126

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO APPROVING THE GENERAL FUND DESIGNATED RESERVES (JANUARY 2019 THROUGH JUNE 2019) BUDGET RECONCILIATION AND FY2019/20 GFDR AT \$2,900,024

WHEREAS, In order to protect the fiscal solvency of the City and to achieve greater fiscal resiliency, the City Council took the important step of establishing the *Fiscal Resiliency Reserve Policy* on October 21, 2013 (Resolution 2013-159), which policy established new reserves and determined to fund each by formula (the Catastrophic Reserve, Budget Stabilization Reserve, and City Manager's Contingency Account) or by a set amount within the General Fund Designated Reserve and Future Capital Projects Reserve (collectively the "GFDR" or Designated Reserves);

WHEREAS, this is not a project as defined by CEQA as a budget or financing mechanism pursuant to 14 Cal. Code of Regulations section 15378(b);

WHEREAS, the purpose of the reserves was to protect against natural disasters or manmade economic calamities and to set aside funding for other future known, but as of yet, unbudgeted one-time expenses;

WHEREAS, upon completion of the FY2017/18 audit, City Council established the GFDR at \$10,338,114 on February 4, 2019:

WHEREAS, the Council has authorized appropriation of a total of \$7,438,090 from the GFDR since February 4, 2019 (including an appropriation of \$4.5 million for the City's contribution to the replacement of Fire Station #70) leaving a remaining balance of \$2,900,024 as follows:

• FY 2018/19 GFDR Begin Balance	\$ 10,338,114
• Appropriations from 02/04/19-06/30/19	<u>(\$ 7,438,090)</u>
• GFDR Balance as of 6/30/19	\$ 2,900,024

WHEREAS, Staff presented the GFDR Budget Reconciliation to the Budget, Fiscal & Legislative Standing Committee on July 24, 2019, and the Committee recommended forwarding it to City Council for approval; and

WHEREAS, this action does not involve the expenditure of funds or the creation of new budgets, but designates certain reserve funds from the current FY 2019/20 fund balance for potential future appropriation by the City Council to an approved capital improvement project or departmental expenditure account, thus demonstrating the City's continued commitment to prudent financial management and assisting the City in planning for expected costs in the future.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Pablo does hereby approve the budget reconciliation of the FY2018/19 GFDR and the FY2019/20 GFDR with the following line-item allocations detailed below:

FY 2019/20	
<i>PROPOSED for August 5, 2019 City Council Approval</i>	
	FY2019/20
<u>Major Operating Contingencies (Revised)</u>	
Compensated Employee Absences	\$0
CalPERS Method 5 Policy Smoothing Impacts	\$0
City Facility Maintenance & One-Time Improvements	\$0
SPEDC Operating (FY1/19) & Measure Q (FY18/19) Subsidy	\$0
IT Systems Maintenance, Replacement, CAD/RMS, Surveillance Cameras	\$113,823
Vehicle and Large Equipment Replacement	\$335
Succession Planning & HR Legal Issues	\$0
<u>Sub-Total</u>	<u>\$114,158</u>
<u>Future Capital Projects & Professional Services Reserves</u>	
ADA Compliance & Improvement Projects (City-wide)	\$0
City-owned Medical Office Bldg Improvements (2023 Vale Road)	\$1,141,118
Drainage & NPDES MRP Compliance Facilities Improvements	\$0
Fire/EMS Services FS#70 Project with CCCFPD	\$0
Hillside Stabilization & Geo-Tech Studies/Improvements	\$0
Casino Revenue Sustainability Reserve	\$0
PW Streetlight Photovoltaic Master Plan Project - Rumrill	\$0
Measure Q Backfill	\$0
Fordham & El Portal Stabilization/Repairs	\$94,748
Soils storage - Wildcat Creek Trail project	\$500,000
Public Fiber/Smart Cell Technology	\$1,000,000
PW Projects Grant Match Funds	\$50,000
<u>Sub-Total</u>	<u>\$2,785,866</u>
Total Allocations	<u>\$2,900,024</u>

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ADOPTED this 5th day of August, 2019, by the following vote:

AYES:	COUNCILMEMBERS:	Pineda, Xavier, Pabon-Alvarado, Cruz and Kinney
NOES:	COUNCILMEMBERS:	None
ABSENT:	COUNCILMEMBERS:	None
ABSTAIN:	COUNCILMEMBERS:	None

ATTEST:	APPROVED:
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/s/ Patricia Ponce
Patricia Ponce, City Clerk

/s/ Rich Kinney
Rich Kinney, Mayor