

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION OF THE CITY OF STOCKTON APPROVING THE FISCAL YEAR 2018-19 ANNUAL BUDGET; APPROVING THE 2018-2023 CAPITAL IMPROVEMENT PLAN; APPROVING THE FISCAL YEAR 2018-19 FEE SCHEDULE; AUTHORIZING VARIOUS FUND TRANSFERS, AND ADMINISTRATIVE ACTIONS

On May 15, 2018, in accordance with City Charter, Article XIX, Section 1905, the City Manager provided City Council the Proposed Fiscal Year (FY) 2018-19 Annual Budget, Proposed 2018-23 Capital Improvement Plan, and Proposed FY 2018-19 Fee Schedule; and

On April 12, 2018, the Planning Commission determined that the 2018-2023 Capital Improvement Plan conforms to the 2035 General Plan; and

On May 1, 2018, the City Council conducted a special meeting to review updates to the City's Long-Range Financial Plan; and.

The City Council scheduled and conducted a budget study session on May 23, 2018, to review projections, allow for public discussion, and provide direction in the preparation of the annual budget. This study session included the proposed documents: FY 2018-19 Annual Budget, 2018-2023 Capital Improvement Plan, and FY 2018-19 Fee Schedule; and

On June 5, 2018, the City Council conducted a duly noticed public hearing on the Proposed FY 2018-19 Annual Budget, the Proposed 2018-23 Capital Improvement Plan, and the Proposed FY 2018-19 Fee Schedule; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The FY 2018-19 Annual Budget with expenditure appropriations of \$709,419,235, as submitted by the City Manager, is adopted.
2. The number of full-time positions authorized under the FY 2018-19 Annual Budget is 1,705.
3. The 2018-2023 Capital Improvement Plan with a 5-year CIP project total of \$1,122,808,000 is adopted, which includes \$70,334,513 appropriations for the FY 2018-19 capital projects.
4. The 2018-2023 Capital Improvement Plan conforms to the City of Stockton 2035 General Plan.

5. The effective date of the FY 2018-19 Fee Schedule is July 1, 2018. Any fee changes that are not effective July 1, 2018 are noted in the document.
6. The fees on development projects will take effect 60 days following the final action on the increases in the FY 2018-19 Fee Schedule, where Government Code section 66017(a) applies.
7. The Parking Bail schedule is amended with adjustments to maintain consistency with similar fees and the California Vehicle Code; effective July 1, 2018.
8. An appropriation limit is established in the amount of \$390,274,143 for FY 2018-19 pursuant to the requirements of the California Government Code. The City of Stockton selected the "change in California per capita personal income" for the "change in cost of living" component and the change in annual population for the County of San Joaquin as of January 1, 2018, component in the calculation of the appropriation limit.
9. The City Attorney is authorized to enter into contracts for services and supplies where the total cost is: below the expenditure limit established in section 3.68.040 of the Stockton Municipal Code, within existing budget appropriation, and consistent with established administrative processes.
10. The City Manager is authorized to execute a one-year extension to the existing contract with Moss Adams, LLC to provide Internal Audit Services.
11. The City Manager or his designee is authorized to adjust appropriations from the General Fund Contingency account to General Fund Departments, subsidized programs and Internal Service Funds as needed for unexpected expenditures or emergencies that are unanticipated at the time of the budget adoption. The City Manager or his designee will report Contingency uses with each quarterly budget status report.
12. The remaining balances on all capital projects and grant funds are authorized to continue beyond the fiscal year in which they are originally appropriated until project cancellation or completion, grant expiration, or funds are fully expended.
13. Upon completion of a capital project, the City Manager, or his designee, is authorized to distribute any remaining unencumbered unrestricted appropriation balances up to \$75,000 to incomplete projects previously authorized in a Five-Year Capital Improvement Plan as allowed by funding source.

14. The remaining appropriations in capital projects related to City Hall relocation activities may be consolidated. These projects include but are not limited to: PW 1614, PW1615, ED2015, ED7001, and ED7002.
15. Revenues from the Waterfront Office Towers operations in excess of the buildings operating costs may be transferred to the New City Hall Renovation and Relocation Project in the General Capital fund and the City Manager or his designee is authorized to adjust the budget appropriation of the transfer and the capital project based on revenues greater than the budget estimate for FY 2017-18 and FY 2018-19.
16. The FY 2018-19 Information Technology Capital Plan with a total of \$11,063,144 is adopted and remaining appropriations in the technology projects are authorized to continue to future fiscal years until project is fully expended, completed, or cancelled.
17. Appropriate \$50,000 from available fund balance in the Street Improvement Public Facility Fee Fund 910 for costs associated with planning, grant applications, and indirect costs for eligible street projects.
18. The continuation of FY 2017-18 appropriations to FY 2018-19 is authorized for the completion of specific programs as listed in the following table:

Description	Department	Fund	Not to Exceed Carryover Amount
Summer Youth Employment program	Non-Departmental	General Fund	\$100,000
Stockton is Home	Non-Departmental	General Fund	25,000
Audit Findings Response	Administrative Services	General Fund	40,000
Council District Project Funds	City Council	General Fund	70,000
Mayor Special Project Funds	City Council - Mayor	General Fund	22,000
Capital Purchases	Fire Department	General Fund	60,000
FirstWatch Software	Fire Department	General Fund	25,000
Fire Administration Strategic Plan	Fire Department	General Fund	50,000
TOTAL			\$392,000

19. The following administrative actions required to implement the FY 2018-19 Annual Budget are authorized:
 - a) Level of Budgetary Control – Budgetary control is established at the following levels: a) General Fund - Department Level; b) Other Funds - Fund level; and c) Capital Fund - Project level. The City

Manager or his designee may authorize line item budget transfers within a General Fund department, or within a fund other than the General Fund.

- b) The City Manager or his designee is authorized to make administrative or technical corrections to the FY 2018-19 Annual Budget with a subsequent report to Council on any corrections greater than \$75,000.
- c) The City Manager or his designee is authorized to establish and amend revenue estimates and expenditure appropriations corresponding to receipt or award of grant funding, donations, and reimbursements where these special monies and any matching City funds are under the expenditure limit of \$75,000 as established by Ordinance 2015-01-27-1501-01, which amended Section 3.68.040 of the Stockton Municipal Code.
- d) The City Manager or his designee is authorized to establish revenue estimates and corresponding budget appropriations in General Fund Fire Department accounts as needed during FY 2018-19 to recognize the costs, and the associated reimbursement revenue for providing wild-land firefighting and other disaster response services requested by state or federal governments.
- e) The City Manager or his designee is authorized to abolish positions and/or reduce and reorganize personnel, programs, services, departments, offices, or agencies and take such other action as is necessary to maintain a balanced budget.
- f) The City Manager is authorized to adjustment classifications, including salary and benefit adjustments, to ensure comparability with similar classifications to maintain equity in the City's salary schedules as recommended by the Human Resources Department classification studies and reviews, and to incorporate changes into the Salary Schedule, as appropriate.
- g) The City Manager or his designee is authorized to fill additional Special Revenue Fund positions, such as grant funded, Measure W, and contract reimbursement positions, if additional funding becomes available.
- h) The indirect cost rate, as detailed in the City of Stockton Full Cost Allocation Plan and Cost Recovery Allocation Plan, shall be charged to departments and capital projects as project funding and regulations permit. The City Manager or his designee is authorized

to modify appropriations for changes that result from an independently prepared indirect cost allocation plan.

- i) The City Manager or his designee is authorized to prepay the City's annual CalPERS payments in a lump sum consistent with FY 2018-19 budget.
- j) The City Manager or his designee is authorized to approve temporary interfund borrowing within the fiscal year, and at the June 30 fiscal year end, to finance the collection period for tax, grant, and other accounts receivable. Any new interfund loans extending beyond these terms must be approved by the City Council. The City Manager is authorized to repay interfund loans when funding becomes available.
- k) The City Council delegates investment authority to the Chief Financial Officer, acting in capacity of Treasurer, for the period of July 1, 2018 through June 30, 2019 pursuant to Section 53601 and 53607 of the California Government Code.
- l) The City Manager or his designee is authorized to move appropriations and transfer between funds within a single budget unit, such as the water utility, Federal grant funds, and other funds where multiple funds have been established in the general ledger for purposes other than legal restrictions and the fund relationship has been identified in the FY 2018-19 Annual Budget, or established by subsequent City Council action.
- m) The City Manager or his designee is authorized to make the Contingent General Fund Payment to Assured Guaranty per the terms of the Reimbursement Agreement. Should the amount exceed the FY 2018-19 budget estimate, the City Manager or designee is authorized to increase the budget appropriation and transfer from the General Fund.
- n) The City Manager or his designee is authorized to close out inactive Area of Benefit project accounts and transfer all residual or surplus account balances to the General Fund in FY 2018-19 in accordance with section 16.72.050 of the Stockton Municipal Code.
- o) The City Manager or his designee is authorized and directed to take such other actions as are necessary and appropriate to carry out the purpose and intent of this resolution including adjusting appropriations from the General Fund Non-Departmental accounts to General Fund Departments, subsidized programs and Internal

Service Funds as needed to implement budget revisions authorized
by Council.

PASSED, APPROVED, and ADOPTED June 5, 2018.

MICHAEL D. TUBBS
Mayor of the City of Stockton

ATTEST:

BRET HUNTER, CMC
City Clerk of the City of Stockton