

Resolution No. **2024-01-23-1501****STOCKTON CITY COUNCIL**

RESOLUTION ACCEPTING THE FISCAL YEAR 2022-23 FOURTH QUARTER BUDGET STATUS UPDATE REPORT, APPROVING THE RECOMMENDED AMENDMENTS TO THE FISCAL YEAR 2022-23 AND FISCAL YEAR 2023-24 ANNUAL BUDGETS, AND AUTHORIZE THE ALLOCATION OF AVAILABLE FUND BALANCE TO RESERVES

Fiscal Sustainability is one of the City Council's goals; and

City Council adopted the Fiscal Year (FY) 2022-23 Annual Budget on June 21, 2022, following a duly noticed budget study session and a public hearing; and

By the staff report accompanying this Resolution, incorporated into this Resolution by this reference (Staff Report), the Council has been provided with additional information upon which the actions set forth in this Resolution are based; now, therefore,

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

- 1) Accept this budget status report on the unaudited results of the fourth quarter of FY 2022-23.
- 2) Allocate the General Fund Vacancy Savings budget reduction for FY 2022-23 from Other Administration (Non-departmental) category to the following departments:

Reduce Expenditure Budget:

<u>Department</u>	<u>Amount</u>
a) City Clerk	\$ 37,000
b) City Manager	\$125,000
c) Office of Violence Prevention	\$ 67,000
d) City Attorney	\$ 93,000
e) Economic Development	\$107,000

Increase Expenditure Budget:

Other Administration (Non-departmental)	\$429,000
-----------------------------------------	-----------

- 3) Authorize a reserve for future appropriation of \$925,000 from FY 2022-23 ending balance in the General Fund to reimburse the United States

Department of Housing and Urban Development for costs associated with Oak Park Ice Arena improvements.

- 4) Authorize a reserve for future appropriation of \$1,469,000 from FY 2022-23 available funds for the estimated increase in the Assured Guaranty Settlement contingent payments for a total reserve of \$3,600,000.
- 5) Authorize a FY 2022-23 General Fund appropriation of \$21,450,000 for Council priority projects including restoration of Fire Station 7, parks maintenance, and the Victory Park Pool, as displayed below.

<i>Funding for Projects (dollars in thousands)</i>	
Fire Truck No. 7 Restoration Costs (FY 2025 to 2027)	\$ 6,000
Fire Truck No. 7 One-time Equipment Costs	300
Employee Incentive Program	6,000
Parks Maintenance (FY 2023-24 only)	600
Parks Maintenance Restoration of Services (FY 2025 to 2027)	1,300
Victory Park Pool	3,000
El Concillio Community Center Repairs	250
Subtotal	17,450
Council Priority Project Funds	4,000
Total	21,450

In addition, the \$4,000,000 assigned to Council Priority Project Funds will be referred to the Budget / Finance / Economic Development Committee to develop a recommendation to the full Council.

- 6) Allocate available fund balance to reserve categories consistent with the Council Reserve and Fund Balance Policy – General Fund Policy. The net increase in fund balance will be added to the current reserve levels, as displayed in Table 4 of the staff report, to achieve the total reserve amounts as follows:

Priority 1 Reserves	
Working Capital	\$48,300,000
Known Contingency	\$68,000,000
Priority 2 Reserves	
Risk-Based Reserves	\$10,800,000

- 7) Authorize a FY 2022-23 budget amendment increasing expenditure and revenue appropriations in the Downtown Marina Fund by \$8,500.
- 8) Authorize the City Manager to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED January 23, 2024.



KEVIN J. LINCOLN II
Mayor of the City of Stockton

ATTEST:



ELIZA R. GARZA, CMC
City Clerk of the City of Stockton

