

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, DESIGNATING ALL REDEVELOPMENT AGENCY LOAN REPAYMENT PROCEEDS RECEIVED FROM THE STATE OF CALIFORNIA TO BE DEPOSITED IN THE CITY'S EMERGENCY RESERVE FUND UNTIL SUCH RESERVE REACHES TEN PERCENT OF GENERAL FUND APPROPRIATIONS.

WHEREAS, building an adequate emergency reserve will provide the City of Fresno (City) the resources to stabilize the City, particularly in unforeseen emergencies and economic downturns, and

WHEREAS, the City's Reserve Management Act (RMA) and the Government Finance Officers Association (GFOA) each recommend a minimum reserve of ten percent (RMA) and sixteen percent (GFOA) of total General Fund expenditures, respectively; and

WHEREAS, the General Fund reserve at the end of Fiscal Year 2015-2016 will stand at \$15.8 million representing five percent of total General Fund expenditures plus transfers; and

WHEREAS, following the dissolution of the Redevelopment Agency of the City of Fresno (RDA), the City has applied to the State of California for repayment of numerous loans made by the City to the RDA over the course of the RDA's existence; and

WHEREAS, to facilitate the growth and maintenance of a General Fund reserve, the annual estimated repayment of RDA debt to the City's General Fund has previously been budgeted in the Emergency Reserve Fund; and

WHEREAS, the City has begun receiving repayment of such loans and as of May

2016, \$6.1 million has been received and deposited in the Emergency Reserve Fund;
and

WHEREAS, the process of obtaining loan repayment through the State is ongoing as the City continues in its effort to secure additional loan repayments from the State; and

WHEREAS, earmarking loan repayment proceeds for the Emergency Reserve Fund furthers the purpose of the RMA and will help bolster the financial health of the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. That all loan repayments received by the City of Fresno from the State of California for loans made by the City from its General Fund to the RDA shall be deposited into the City's Emergency Reserve Fund until such reserve reaches ten percent of General Fund appropriations.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____, 2016.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2016
Mayor Approval/No Return: _____, 2016
Mayor Veto: _____, 2016
Council Override Vote: _____, 2016

YVONNE SPENCE, CMC
City Clerk

By: _____
Deputy

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By: _____
RAJ SINGH BADHESHA Date
Deputy City Attorney

RSB:nd,dy (71643nd/RSB) 06-09-16