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OFFICE OF THE CITY CLERK
OAKLAND

Approved as to Form and Legality

OAKLAND CITY COUNCIL

10 JUN 22 AM 11:40

City Attorney

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING ADDITIONAL AMENDMENTS TO BALANCE THE CITY'S BIENNIAL GENERAL PURPOSE FUND (GPF) BUDGET FOR FISCAL YEAR 2010-2011 (WHICH PREVIOUSLY WAS AMENDED BY RESOLUTION NOS. 82235, 82335, 82519, 82582, 82578, 82646, 82654 AND 82731 C.M.S.) BY ACCOUNTING FOR FURTHER CHANGES IN REVENUES AND EXPENDITURES AND ELIMINATING THE BUDGET DEFICIT BY MAKING ADJUSTMENTS AND CHANGES TO THE BUDGET, THAT MAY INCLUDE BUT NOT BE LIMITED TO PROGRAM TRANSFERS, CHANGES, REDUCTIONS, ELIMINATIONS, SPECIAL AND GENERAL TAX MEASURES, AND POTENTIAL LAY-OFFS OF 200 OR SOME OTHER NUMBER OF POLICE OFFICERS AS WELL AS A NUMBER OF OTHER STAFF

WHEREAS, on June 30, 2009, in accordance with City Charter section 800, the City Council adopted the biennial policy budget by passing Resolution No. 82102 C.M.S.; and

WHEREAS, on July 28, 2009, October 6, 2009, December 17, 2009, February 16, 2010, March 2, 2010, March 16, 2010, April 1, 2010 and April 29, 2010 the City Council approved amendments to the adopted budget, via Resolutions No. 82235 C.M.S., No. 82335, No. 82519 C.M.S., No. 82582 C.M.S., No. 82578 C.M.S., No. 82646, No. 82654, and No. 82731 C.M.S. respectively; and

WHEREAS, due to continued weakness in the local economy and real estate market and additional public safety costs, a \$42.6 million shortfall is projected in the General Purpose Fund in Fiscal Year 2010-11; and

WHEREAS, on April 29, 2010, the City Council approved balancing measures of \$11.09 million, resulting in a remaining deficit of \$31.5 million for FY 2010-11; and

WHEREAS, the City Council approved resolution no. 82844 C.M.S. on June 15, 2010 directing the City Administrator to be prepared to immediately issue potential lay-off notices to 200 police officers and other staff if the City Council decides to proceed with such lay-offs at its June 24, 2010 Special Budget Meeting; and

WHEREAS, pursuant to City Charter section 800, the City Administrator under the direction of the Mayor ("City Administration") has developed budget balancing measures for the General Purpose Fund to fully offset the projected Fiscal Year 2010-11 shortfalls, as reflected in **Exhibit A**; and

WHEREAS, the City Administration's balancing proposal includes the use of one-time revenues and requires declaration of a fiscal emergency per the City's financial policy codified in ordinance 12946 C.M.S., and

WHEREAS, the City Administration's budget balancing proposal contains the following new taxes that require a resolution by the Council to be placed on the November 2010 ballot: (a) a proposed public safety parcel tax requiring approval by two-thirds (2/3) vote; and either (b) a proposed increase to and expansion of the utility users' tax; (c) a proposed ¼ cent transactions and use tax increase or (d) a proposed new telephone access line charge of \$1.99 per line per month requiring a simple majority vote; and

WHEREAS, the City Council will consider the City Administration's budget-balancing proposal as well as any amendments to such proposal and any other proposals by Councilmembers to balance the budget, including but not limited the option to place special and/or general tax measures on the November 2010 ballot, potential layoffs of police officers and other staff, program transfers, changes, reductions and/or eliminations, and sale of real property, now therefore be it

RESOLVED: That the City's Fiscal Year 2010-11 Budget as previously amended during the FY2009-2010 hereby is amended to incorporate balancing implementation measures reflected in **Exhibit A** included with and made a part of this resolution, subject to additional amendments that may be presented and adopted on the floor by the City Council; and be it

FURTHER RESOLVED: That the City Council declares a fiscal emergency pursuant to Ordinance No. 12946 C.M.S., to use one-time monies to balance the Fiscal Year 2010-11 projected General Purpose Fund shortfall; and be it

FURTHER RESOLVED: That one-time monies used to balance the Fiscal Year 2010-11 General Purpose Fund projected deficits are restricted revenues to be used only for the purpose of budget balancing; and be it

FURTHER RESOLVED: That if the Council's budget-balancing measures include November 2010 ballot measures, the City Council hereby directs the City Attorney and City staff to prepare and submit such ballot measures and necessary resolutions to the Council prior to the Council's summer recess, and be it

FURTHER RESOLVED: That the City Council directs the City Administrator to implement the aforementioned budget-balancing measures with all deliberate speed.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2010

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California