


City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO RESTRUCTURE THE NEGATIVE FUNDS REPAYMENT SCHEDULE ADOPTED BY RESOLUTION NO. 87759 C.M.S. AS PART OF THE CITY'S FISCAL YEAR 2020-21 BUDGET BY POSTPONING THE FISCAL YEAR 2020-21 PAYMENT AND EXTENDING THE FINAL PAYMENT DATE BY ONE YEAR.

WHEREAS, on March 4, 2020, Gavin Newsom, Governor of the State of California, proclaimed a state of emergency to exist in California as a result of the threat of COVID-19 (Proclamation of State of Emergency, March 4, 2020); and

WHEREAS, on March 16, 2020, in response to the COVID-19 pandemic, Alameda County issued a "shelter-in-place" order effective March 17, 2020 – April 7, 2020, directing individuals to stay at home except to provide or receive essential services; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20, directing individuals to stay at home except as needed to maintain continuity of operations of the federal critical infrastructure sectors; and

WHEREAS, on March 31, 2020, Alameda County issued Order No. 20-04, which clarified, strengthened and extended the March 16, 2020 shelter-in-place order through May 3, 2020; and

WHEREAS, on April 29, 2020, Alameda County issued Order No. 20-10, which extended the shelter in place through May 31, 2020; and

WHEREAS, Fiscal Year (FY) 2020-21 General Purpose Fund revenues are projected to be \$646.23 million; and

WHEREAS, FY 2020-21 General Purpose Fund expenditures are budgeted at \$684.55 million, resulting in a projected operating budget shortfall of approximately \$38.32 million in FY 2020-21; and

WHEREAS, on April 17, 2018, the City Council passed Resolution No. 87140 C.M.S., which stated, among other things, that the City Administrator will present, as part of the FY 2019-21 budget process, a revised repayment schedule for specified funds with negative fund balances; and

WHEREAS, on June 24, 2019, the City Council passed Resolution No. 87759 C.M.S., which adopted the FY 2019-21 Budget; and

WHEREAS, pursuant to Resolution No. 87140, the adopted FY 2019-21 Budget included a 10-year repayment schedule for specified funds with negative fund balances (see pages E-119 thru E-124 of the FY 2019-21 Budget); and

WHEREAS, it is necessary for the City to restructure the negative fund repayment schedule to balance the FY 2020-21 budget and maintain existing services in light of the projected budget deficit caused by the COVID-19 crisis; now, therefore be it

RESOLVED, that the City Council finds and determines that the foregoing recitals are true and correct; and be it

FURTHER RESOLVED, that the City Council hereby authorizes the City Administrator to restructure the negative fund balance repayment schedule by postponing all FY 2020-21 payments and extending the final payment date under the current repayment schedule by one year.

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IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND
PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council of the
City of Oakland, California