

RESOLUTION NO. 22-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADOPTING THE OPERATING AND CAPITAL IMPROVEMENT BUDGET FOR FISCAL YEAR 2022-2023

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the City Manager has prepared and submitted to the City Council a proposed Operating and Capital Improvement Budget for Fiscal Year 2022-2023 in compliance with Section 2-119 of the Costa Mesa Municipal Code; and

WHEREAS, Section 2-209 of the Costa Mesa Municipal Code requires the City to allocate a minimum of five percent (5%) of the annual General Fund revenues to the capital expenditures Fund and a minimum of one and a half percent (1.5%) of the annual General Fund revenues to the Information Technology Replacement Fund, for a combined allocation of six and a half percent (6.5%); and

WHEREAS, due to the global COVID-19 pandemic, declarations of Federal, State, County and City emergencies, associated stay-at-home orders and closure of many businesses in the City in 2020, the City faced a severe economic downturn unforeseen circumstances, including continued loss and deferral of revenues; and

WHEREAS, the City Council conducted a Strategic Planning workshop identifying key priorities, as well as a new Mission Statement for the City of Costa Mesa: “The City of Costa Mesa serves our residents, businesses, and visitors by promoting a safe, inclusive, and vibrant community;” and

WHEREAS, in addition to a new Mission Statement, five new Strategic Plan Goals were developed: (1) Strengthen the Public’s Safety and Improve the Quality of Life; (2) Achieve Long-Term Fiscal Sustainability; (3) Recruit and Retain High Quality Staff; (4) Diversify, Stabilize, and Increase Housing to Reflect Community Needs; and (5) Advance Environmental Sustainability and Climate Resiliency; and

WHEREAS, the American Rescue Plan Act of 2021, signed into law by President Joe Biden in March 2021, is a \$1.9 trillion in economic stimulus plan; thereby providing for a wide variety of funding efforts to offset the economic losses resulting from the worldwide pandemic. Included is the State and Local Fiscal Recovery Fund delivering \$350 billion for State, Local, and Tribal Governments to address economic loss as a result of the pandemic. The City of Costa Mesa was allocated \$26.5 million, receiving 50% in FY 2020-2021, and the other 50% in FY 2021-2022; and

WHEREAS, coupled with the American Rescue Plan funding and the reopening of the California economy on June 15, 2021, City Council desires to convey the restoration of core services while incorporating key strategies to ensure long-term fiscal sustainability; and

WHEREAS, the City Council desires to gradually increase enhanced public services to the community as the City, and the nation emerge from the COVID-19 pandemic, by reopening City Hall, reopening all parks, eliminating furloughs, and increasing staffing to address the community's needs; and

WHEREAS, the City Council conducted a duly noticed public hearing at its regular meeting on June 7, 2022 regarding the proposed Operating and Capital Improvement Budget for Fiscal Year 2022-2023; and

WHEREAS, the City Council has considered the proposed Operating & Capital Improvement Budget for Fiscal Year 2022-2023 and input from the public, and desires to adopt the proposed Operating & Capital Improvement Budget for Fiscal Year 2022-2023, as the Operating and Capital Improvement Budget for Fiscal Year 2022-2023.

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

Section 1. The Operating and Capital Improvement Program Budget for Fiscal Year 2022-2023 is incorporated by reference as if fully set forth herein.

Section 2. The Operating and Capital Improvement Program Budget for Fiscal Year 2022-2023, as prepared and submitted by the City Manager, is hereby approved and adopted in the amount of \$206,155,686.

Section 3. The Operating Budget for Fiscal Year 2022-2023 shall be considered amended upon the close of Fiscal Year 2022-2023 to include and reappropriate any outstanding encumbrances carried forward.

Section 4. The Capital Improvement Program Budget for Fiscal Year 2022-2023 shall be considered amended upon the close of Fiscal Year 2022-2023 to include and reappropriate funds for all previously approved projects that have not been initiated or completed.

Section 5. The City Council authorizes the City Manager to make changes in internal service fund allocations to departments to reflect any modifications made after the Adopted Budget was presented.

Section 6. The City Manager or Finance Director, for the purpose of administrative necessity in implementing the budget, shall have the authority to transfer monies to the appropriate item, account, program, department, or fund to cover expenditures which have been approved by the City Council, except where such transfer is expressly prohibited in a resolution or ordinance approved by the City Council. The City Manager or Finance Director shall also have the authority to transfer monies between and within funds to meet the operational needs of the City within established spending limits.

Section 7: That the Tables of Organization, a copy of which is attached hereto as Attachment X and incorporated by this reference as though fully set forth herein, is hereby approved and adopted. The City Manager may revise the Tables of Organization provided that the authorized number of personnel within the City is not exceeded.

Section 8: That the City Manager or Finance Director may, as necessary, appropriate donations and grants received during the fiscal year up to \$100,000 per source or grantor. Donations and grant awards requiring matching funds (in-cash), or exceeding \$100,000 from a single source or grantor, shall require City Council approval. Any resolutions authorizing budget amendments related to donations and grants in conflict herewith are hereby repealed.

Section 9: That the City Manager or Finance Director may, as necessary, appropriate revenue and expenditure allocations, for emergency public safety mutual aid requests, as expenses are incurred and reimbursements are received, for a net neutral fiscal impact.

Section 10: That the City Manager or Finance Director may, as necessary, appropriate and transfer Federal American Rescue Plan Act (ARPA) Funds, to comply with U.S. Treasury Guidelines and to facilitate audit review and compliance.

PASSED AND ADOPTED this 7th day of June, 2022.

John Stephens, Mayor

ATTEST:

APPROVED AS TO FORM:

Brenda Green, City Clerk

Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 22-xx and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 7th day of June, 2021, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 7th day of June, 2022.

Brenda Green, City Clerk