

**RESOLUTION NO. 6559(23)**

**A Resolution of the City Council of the City of Lompoc,  
County of Santa Barbara, State of California,  
Transferring \$8.0 Million from General Fund Unrestricted Funds  
To Capital Development Special Revenue Funds and Restricting  
\$2.0 Million of Those Funds for Building Replacement Reserve and  
Restricting the Remaining \$6.0 Million of Those Funds  
for Governmental Fund Capital Development Reserves**

**WHEREAS**, on January 17, 2023, City of Lompoc (City) staff presented a financial update of the Fiscal Year (FY) 2021-22 General Fund unrestricted fund balance in which the FY 2021-22 Annual Comprehensive Financial Report (ACFR) reported an ending unassigned fund balance of \$17.8 million; and

**WHEREAS**, after accounting for the recommended General Fund reserve balance and previously approved FY 2022-23 encumbrances, the remaining unassigned General Fund balance available for consideration and direction equals \$8.0 million; and

**WHEREAS**, there is a growing need to consider aging City buildings such as the police and fire stations; and

**WHEREAS**, the cost of fully financing replacement of City buildings would be cost prohibitive to the General Fund; and

**WHEREAS**, the City Council desires to set aside sufficient funds to address the significant infrastructure and capital development needs of the City.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOMPOC, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The Management Services Director, or designee, is hereby directed to establish a Building Replacement Reserve fund, categorized as a Capital Development Special Revenue Fund, to be used to reserve funding for future replacement of key City buildings such as the police and fire stations.

**SECTION 2.** The Management Services Director, or designee, is hereby directed to transfer \$8.0 million from General Fund unrestricted balance to the Capital Development Special Revenue Fund as follows:

<b>Account</b>	<b>Description</b>	<b>Debit</b>	<b>Credit</b>
110GFT-910230	GF Trnfs - Tfr cap Dev	\$ 8,000,000	
424RCD-496410	Rev-Cap Dev-Tfr Frm GF		\$ 8,000,000

**SECTION 3.** Funds consisting of the transferred \$8 Million and any accumulated interest thereon are hereby restricted to only be used for funding future one-time-expenditure capital outlay projects.

**SECTION 4.** The Management Services Director, or designee, is hereby directed to reclassify that same \$8.0 Million from Capital Development Special Revenue Operating Cash to Capital Development Special Revenue Restricted Cash-Govt CIP accounts as follows. Per general accounting standards, this transaction restricts the \$8M cash transferred in Section 2.

Account	Description	Debit	Credit
424-101070	Restricted Cash - Govt. CIP	\$ 4,000,000	
424-101075	Restricted Cash - Govt. Bldg Reserve	\$ 4,000,000	
424-100010	Operating Cash		\$ 8,000,000

**SECTION 5. Effective Date.** This Resolution is effective on the day of its adoption.

The foregoing Resolution was proposed by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, and was duly passed and adopted by the Council of the City of Lompoc at its regular meeting on February 7, 2023, by the following vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

\_\_\_\_\_  
Jenelle Osborne, Mayor  
City of Lompoc

ATTEST:

\_\_\_\_\_  
Stacey Haddon, City Clerk  
City of Lompoc