

**RESOLUTION NO. 6558(23)**

**A Resolution of the City Council of the City of Lompoc,  
County of Santa Barbara, State of California,  
Assigning \$6.8 Million from General Fund Unrestricted Balance as  
General Fund Reserve and Transferring Those Funds  
to the Restricted Cash Account for Economic Uncertainty**

**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**, the FY 2020-21 ending General Fund unrestricted fund balance was \$8.0 million; and

**WHEREAS**, during FY 2021-22, \$4.0 million, or 50% of the ending General Fund unrestricted fund balance was transferred to a Capital Development Special Revenue Fund; and

**WHEREAS**, City policy sets the standard that the General Fund hold in reserve 16.7% of annual operating expenditures, or the equivalent of 60 days reserve; and

**WHEREAS**, for the City, 16.7% of annual operating expenditures for FY 2021-22 equals approximately \$6.8 million; and

**WHEREAS**, the City currently has a cash account restricted specifically for "Economic Uncertainty"; and

**WHEREAS**, the Economic Uncertainty cash account currently holds a balance of \$2.0 million.

**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 transfer of \$4.8 Million from General Fund unrestricted operating cash to the restricted economic uncertainty cash account as follows:

<b>Account</b>	<b>Description</b>	<b>Debit</b>	<b>Credit</b>
110-102110	General Fund Restricted Cash - Economic Uncertainty	\$ 4,800,000	
110-100010	General Fund Operating Cash		\$ 4,800,000

**SECTION 2.** Funds in the restricted economic uncertainty cash account shall only be released from the Economic Uncertainty Restricted Cash account by specific City Council

action that expressly states as such and subsequently removes City Council's restriction on said funds.

**SECTION 3.** 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