

RESOLUTION NO. 2021-0072

Adopted by the Sacramento City Council

April 6, 2021

Budgetary Adjustments: Reallocation of Funds for Convention Center Complex Renovation Project (M7100100)

BACKGROUND

- A. For Fiscal Year (FY) 2020/21, the amount of revenue collected for transient occupancy tax (TOT) and user fees is lower than normal due to the ongoing COVID-19 pandemic. This reduction in revenue is estimated to cause the available fund balance for the Community Center Fund (Fund 6010) to be in a shortfall.
- B. There is approximately \$13.3 million that can be removed from the Convention Center Complex Renovation and Expansion Project (M7100100) and returned to the available fund balance for the Community Center Fund. This will help ensure the available fund balance for the Community Center Fund remains positive for FY2020/21.
- C. The \$13.3 million that is removed from the Convention Center Complex Renovation and Expansion Project (M7100100) can be replaced by \$13.3 million from other sources that can be transferred to the Convention Center Complex Renovation and Expansion Project (M17100100) to ensure this project maintains its budget. This funding includes approximately \$9.1 million in interest earned on the TOT Bond Funds (Funds 6330 and 6331) and \$4.1 million in bond proceeds previously committed to the Destination Sacramento Program (I02185000).
- D. Staff recommends the City Council to authorize the City Manager or City Manager's designee to process these transactions.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager or the City Manager's designee is authorized to transfer \$8,430,756 from the available fund balance of the 2018 Tax-Exempt TOT Bond Fund (Fund 6330) to the expenditure budget of the Convention Center Complex Renovation and Expansion Project (M17100100).

Section 2. The City Manager or the City Manager's designee is authorized to transfer \$4,859,558 from the available fund balance of the 2018 Taxable TOT Bond Fund (Fund 6331) to the expenditure budget of the Convention Center Complex Renovation and Expansion Project (M17100100).

Section 3. The City Manager or the City Manager's designee is authorized to transfer \$13,290,314 (Community Center Fund, Fund 6010) from the expenditure budget of the Convention Center Complex Renovation and Expansion Project (M17100100) to available fund balance.

Adopted by the City of Sacramento City Council on April 6, 2021 by the following vote:

Ayes: Members Ashby, Guerra, Harris, Jennings, Loloee, Schenirer, Valenzuela, Vang, and Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2021.04.20 20:15:49 -07'00'

Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.