



COUNCIL REPORT

DATE: December 5, 2023

CATEGORY: Consent

DEPT.: Finance and Administrative Services

TITLE: **Adopt a Resolution Amending the Fiscal Year 2023-24 Budget to Appropriate One Million Dollars (\$1,000,000) from the Liability Self-Insurance Fund (Fund No. 754) and Two Hundred Ten Thousand Dollars (\$210,000) from the Wastewater Fund (Fund No. 602) for Litigation Expenses**

RECOMMENDATION

Adopt a Resolution of the City Council of the City of Mountain View Amending the Fiscal Year 2023-24 Budget to Appropriate One Million Dollars (\$1,000,000) from the Liability Self-Insurance Fund (Fund No. 754) and Two Hundred Ten Thousand Dollars (\$210,000) from the Wastewater Fund (Fund No. 602) for Litigation Expenses, to be read in title only, further reading waived (Attachment 1 to the Council report). (Five votes required)

BACKGROUND

Pursuant to Mountain View Charter Section 1105, at any time after adoption of the budget, the City Council may amend or supplement the Adopted Budget by affirmative vote of at least five (5) members to authorize the transfer of unused balances for another purpose or to appropriate available revenue not included in the Adopted Budget. Consequently, staff regularly monitors actual revenues and expenditures, updates projections, and proposes budget adjustments throughout the fiscal year as appropriate.

In the Fiscal Year 2023-24 Adopted Budget, \$1.0 million in limited-period funding was appropriated to the City Attorney's Office for litigation expenses, including, but not limited to, outside counsel costs, and litigation-related consultant and expert fees. As of the date of this Council report, nearly all of \$1.0 million has been encumbered and set aside for existing litigation matters. As such, it is necessary to appropriate additional funds to cover any additional litigation expenses arising in existing matters and litigation expenses arising from any new lawsuits filed against the City through the end of the 2023-24 fiscal year.

FISCAL IMPACT

The increase in appropriations of \$1.21 million will be comprised of the following:

1. One Million Dollars (\$1,000,000) in additional appropriations from the fund equity of the Liability Self-Insurance Fund (Fund No. 754) for litigation expenses.
2. Two Hundred Ten Thousand Dollars (\$210,000) in additional appropriations from the fund equity of the Wastewater Fund (Fund No. 602) to the Liability Self-Insurance Fund (Fund No. 754) for litigation expenses.

There is sufficient fund equity available in both funds to fund these additional appropriations.

ALTERNATIVES

1. Do not approve the budget amendment, which will result in a lack of funding to pay for future litigation-related costs.
2. Authorize a different appropriations amount.

PUBLIC NOTICING—Agenda posting.

Prepared by:

Derek Rampone
Finance and Administrative Services
Director

Jennifer Logue
City Attorney

Approved by:

Arn Andrews
Assistant City Manager

DR-JL/6/CAM/546-12-05-23CR
203669

- Attachment: 1. A Resolution of the City Council of the City of Mountain View Amending the Fiscal Year 2023-24 Budget to Appropriate One Million Dollars (\$1,000,000) from the Liability Self-Insurance Fund (Fund No. 754) and Two Hundred Ten Thousand Dollars (\$210,000) from the Wastewater Fund (Fund No. 602) for Litigation Expenses