

RESOLUTION NO. 2007-25

A RESOLUTION OF THE LODI CITY COUNCIL REDUCING
THE ELECTRIC UTILITY FUND PAYMENT IN-LIEU OF TAXES
AMOUNT AS PREVIOUSLY ESTABLISHED AT 12% TO AN
AMOUNT ESTABLISHED BY FORMULA

WHEREAS, over the course of the last three budget years the City Council approved reductions in the annual in-lieu payment (a percentage of the electric utility revenues transferred to the General Fund) from 12% to the current 10.6%, resulting in a reduction of the transferred amount by more than \$900,000; and

WHEREAS, the General Fund has been able to absorb the loss in revenues as a result of measures taken to reduce costs. In order to ensure that this reduction becomes permanent, staff recommends that a base transfer amount of \$6,779,000 be established and that the base amount be adjusted by the annual growth in the number of electric customers served; and

WHEREAS, the reduction in the transfer helps to keep electric utility rates below Pacific Gas and Electric rates in most customer classes. By establishing a base amount for the transfer, the transfer amount as a percentage of revenues will decrease and be more comparable to other jurisdictions, for which the transfer is a lower percent of revenues.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby reduce the Electric Utility Fund payment in-lieu of taxes amount as previously established at 12% to an amount established by formula.

Dated: February 7, 2007

I hereby certify that Resolution No. 2007-25 was passed and adopted by the City Council of the City of Lodi in a regular meeting held February 7, 2007, by the following vote:

AYES: COUNCIL MEMBERS - Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson

NOES: COUNCIL MEMBERS - None

ABSENT: COUNCIL MEMBERS - None

ABSTAIN: COUNCIL MEMBERS - None



RANDI JOHL
City Clerk