



# ***Agenda Report***

## ***Fullerton City Council***

**MEETING DATE:** SEPTEMBER 14, 2021

**TO:** CITY COUNCIL / SUCCESSOR AGENCY

**FROM:** STEVE DANLEY, ACTING CITY MANAGER

**SUBJECT:** POTENTIAL ADJUSTMENTS TO FISCAL YEAR 2021-22  
GENERAL FUND BUDGET

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### **SUMMARY**

At the direction of City Council, conduct a second study session (Study Session No. 2) to discuss the impact of potential budget reduction scenarios, the use of American Rescue Plan Act (ARPA) monies and any potential changes to the FY 2021-22 budget.

### **RECOMMENDATION**

Consider information presented during August 17, 2021 and September 14, 2021 Study Sessions and return at a future City Council meeting to consider potential changes to the FY 2021-22 budget.

### **BUDGET POLICY PRIORITY STATEMENT**

This item matches the following Budget Policy Priority Statement/s:

- Fiscal and Organizational Stability
- Public Safety
- Infrastructure and City Assets.

### **FISCAL IMPACT**

Study Session discussions and decisions made by City Council at a future meeting may result in revisions to the FY 2021-22 budget.

### **DISCUSSION**

Staff presented potential adjustment scenarios to the Fiscal Year 2021-22 General Fund budget at the August 17, 2021 City Council Study Session (Study Session No. 1).

At the conclusion of Study Session No. 1, City Council directed staff to schedule a second study session to provide City Council time to review the study session materials. The public can find the Study Session No. 1 agenda report and presentation materials on the City's website under the August 17, 2021 agenda date.

City Council also requested an additional forecast with the adjusted baseline General Fund forecast with use of ARPA for Revenue Replacement to support government operations with maintenance of 17% contingency reserves. Staff included this additional forecast in the presentation slides (Attachment 1) as Forecast Scenario 4.

Study Session No. 2 will provide a recap of General Fund financial forecasts reviewed at the first study session and presentation of forecasted impacts to contingency reserve levels and budget scenario impacts. The study session will also provide an opportunity for City Council to discuss and provide input on the various budgeted items under discussion.

At Study Session No. 2, staff will seek City Council direction on next steps and select a City Council meeting date to make budget determinations with respect to any budget adjustments, a contingency reserve level and specific uses of ARPA funds.

Attachment:

- Attachment 1 – Presentation