

MINUTES OF A SPECIAL MEETING  
OF THE BUENA PARK CITY COUNCIL  
HELD MAY 25, 2021

Vol. 52 Pg. 79

CALL TO ORDER

The City Council met in a special meeting on Tuesday, May 25, 2021, at 1:00 p.m., in the Council Chamber of the Civic Center, 6650 Beach Boulevard, Buena Park, California, Mayor Traut presiding.

ROLL CALL

PRESENT: Brown, Sonne, Swift, Park, Traut

ABSENT: None

Also present were: Aaron France, City Manager; Chris Cardinale, City Attorney; and Adria M. Jimenez, MMC, City Clerk.

ORAL COMMUNICATIONS

Mayor Traut announced the public may at this time address the members of the City Council on any matters within the jurisdiction of the City Council. There being none, Mayor Traut closed oral communications.

STUDY SESSION (1)

Mayor Traut stated the need for a closed session as scheduled and ordered the meeting into closed session in the City Council Conference Room.

**Budgets 47**

1. DISCUSSION AND DIRECTION REGARDING THE FY 2021-2022 BUDGET  
Presented by: Sung Hyun, Director of Finance

The City Council reviewed the proposed budget Fiscal Year 2021-2022. The 2021-22 Preliminary Budget represents the proposed operating and capital spending plans for the General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Fund and Internal Service Funds. The total preliminary appropriations for all budgeted funds proposed for fiscal year 2021-22 are \$125,646,150. The proposed operating appropriations on an all funds basis are \$113,321,150, and the proposed appropriations for the Capital Improvement Program (CIP) are \$12,325,000. These preliminary appropriations represent an increase of 3.8% for operations and an increase of 4% for capital improvements over the prior year.

The General Fund comprises 60.4% of the total proposed budget on an all funds basis for 2021-22. The proposed expenditures in the General Fund increased by \$2,820,230 or 3.9% in 2021-22 when compared to the adopted budget for fiscal year 2020-21. The fiscal year 2021-22 preliminary budget reflects a balanced General Fund budget. This was accomplished by utilizing \$4.1 million of Federal grant funds from the American Rescue Plan (ARP), \$1 million from savings by freezing or deferring the hiring of non-essential positions, and \$250,000 savings from projected future vacant positions. At the time of this writing, staff is still awaiting detailed guidance from the Department of Treasury on the specific eligible uses of ARP funds. However, one of the main objectives of the ARP is to help cities backfill their revenue losses caused by the COVID-19 pandemic. Staff intends to closely monitor the budget performance throughout the fiscal year and make any necessary recommendations to the City Council to ensure that the fiscal year closes in a balanced or surplus position. The City Council reviewed each department's budget and supplemental information:

The Finance Department provided the City Council with a presentation of the proposed budget for Fiscal Year 2021-2022. The budget represents the operating and capital spending plans for the following fund types: General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Fund and Internal Service Funds.

The City's General Fund is projected to have a balanced position largely due to these funding components:

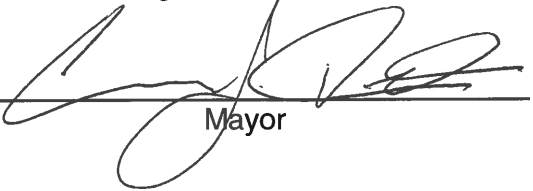
- Hiring deferral and freeze of non-essential vacant positions. Currently, 11 positions are vacant, estimated at \$1.02 million.
- Utilize \$4.18 million in American Rescue Plan (ARP) Funds to address revenue losses due to the COVID-19 public health emergency.
- Allocate 100% of residual property tax revenues, projected at \$3.2 million, to the General Fund.

The total appropriations for all budgeted funds for fiscal year 2021-22 are \$125,704,420. The operating appropriations on an all funds basis are \$113,379,420, and the appropriations for the Capital Improvement Program are \$12,325,000. The General Fund, which is the general operating fund of the City and provides the majority of City services, comprises 60.4% of the total appropriations on an all funds basis. As presented, for 2021-22, the General Fund is projected to be in a balanced position, after factoring in current and projected vacant positions. Exhibit A of the resolution provides a summary of estimated revenues, appropriations, and the projected surplus or deficit for each budgeted fund for fiscal year 2021-22. While a balanced General Fund budget is being proposed, we are still in a period of economic uncertainty. Accordingly, staff will continue to monitor changes in fiscal trends and results, which may require the City Council to make additional revisions to the budget in the future.

Following the presentation, the City Council complimented Director Hyun and his staff on the budget document and its completeness and information.

ADJOURNMENT

There being no further business, Mayor Traut adjourned the meeting at 2:30 p.m.

  
 \_\_\_\_\_  
 Mayor

ATTEST:

  
 \_\_\_\_\_  
 City Clerk