



CITY OF HAYWARD

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Cover Memo

File #: RPT 21-033, **Version:** 1

DATE: February 17, 2021

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

FY 2021 Mid-Year Budget: FY 2021 Mid-Year Budget Review and General Fund Long Range Financial Model Update

RECOMMENDATION

That the Council Budget and Finance Committee reviews and provides comments on the FY 2021 Mid-Year Budget Review and General Fund Long Range Financial Model Update.

SUMMARY

This report presents the mid-year review of the FY 2021 Adopted Budget, and an update to the General Fund Long Range Financial Model (model) presenting proposed changes and projected year-end results based on current trends and data. While staff considers the entire City budget in its mid-year review, this report focuses primarily on the General Fund.

Proposed FY 2021 mid-year expenditures net a total increase of \$4.5 million in General Fund expenses. Of this amount, \$4.6 million is related to previously authorized and approved appropriations, and proposed FY 2021 mid-year expenditure adjustments totaling a net decrease of \$71,500. The proposed FY 2021 mid-year expenditures are largely one-time in nature. General Fund revenues are expected to exceed the originally projected FY 2021 amount by \$6.5 million.

If mid-year requests are approved as proposed, the FY 2021 Revised Budget would result in a projected shortfall, requiring the use of \$1.2 million in General Fund Reserves for FY 2021. While FY 2021 is projected to end of the year using \$1.2 million in General Fund Reserves, this is an improvement over what was projected at the time of adoption, which forecasted a use of \$3.3 million in General Fund Reserves.

This report provides an overall update to the City's General Fund long-term outlook.

ATTACHMENTS

Attachment I Staff Report

Attachment II General Fund Long Range Financial Model Update