

RESOLUTION NO. 2020-08

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, DIRECTING THE CITY MANAGER TO REDUCE THE STAGE OF THE 2020 ECONOMIC RECESSION PLAN FROM THE SIGNIFICANT TO THE MODERATE, AND PROVIDING FOR AN EFFECTIVE DATE

RECITALS:

WHEREAS, on April 21, 2020 the Flagstaff City Council (“Council”) adopted the 2020 City of Flagstaff Economic Recession Plan (“Recession Plan”); and

WHEREAS, since mid- March 2020, the COVID-19 flu pandemic has caused businesses nationwide to close or limit operations in order to protect public health; and

WHEREAS, it is anticipated that City sales tax revenues and other revenues will decline as a result of the pandemic and other economic factors; and

WHEREAS, City staff has prepared revised revenue estimates for Fiscal Year 2020-21 which show that that the City may experience revenue reductions of \$3.4 -6.7 million (5-10%) during Fiscal Year 2020-2021 that will require remedial measures as set forth in the Significant stage of the Recession Plan; and

WHEREAS, on May 26, 2020 the Council adopted Resolution 2020-33 to move the organization into the Significant Stage of the Recession Plan; and

WHEREAS, City staff has been monitoring revenue impacts monthly since the pandemic began and reporting revenue updates to the Budget Team; and

WHEREAS, on February 1, 2021 the Budget Team presented a revenue update during the Council Budget Retreat that demonstrated estimated revenues for the organization is projected to be 3.4% lower than budgeted; and

WHEREAS, the current economic condition and revenue estimates now measure within the Moderate Stage (-2% to -4.9%) of the recession plan.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. In General.

The Council hereby:

Finds that based on the financial revenue data available at this time, it is appropriate to return to the Moderate Stage set forth in the 2020 Flagstaff Economic Recession Plan.

Directs the City Manager to continue to monitor City of Flagstaff revenues and manage within the parameters of the recession plan.

SECTION 2. Effective Date.

This resolution shall be immediately effective.

PASSED AND ADOPTED by the City Council of the City of Flagstaff this 16th day of February, 2021.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY