



DATE: June 17, 2024

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Jessie Gooch, Finance Director
Corey Garberolio, Assistant Director of Finance

SUBJECT: Adoption (Second Reading) of FY 2024-25 Budget Appropriations Ordinance

RECOMMENDATION

It is recommended that the City Council Adopt the FY 2024-25 Budget Appropriations Ordinance.

BACKGROUND

The City Charter requires that the annual budget be prepared and submitted by fund, department and debt repayment and approved at the same time as its appropriations ordinances. The Charter further requires that the proposed budget be presented to the City Council by the first Monday in May.

DISCUSSION

On May 6, 2024, pursuant to the City Charter, the preliminary budget was presented to the City Council. The draft budget was reviewed by the City Council at a comprehensive workshop on May 20, 2024. On June 3, 2024, the FY 2024-25 Budget was adopted by Resolution and the first reading of FY 2024-25 Budget Appropriations Ordinance was completed and approved by a vote of 5 in favor and 2 dissenting (Healy and Nau). The June 3rd staff report can be viewed at <https://cityofpetaluma.primegov.com/Portal/Meeting?meetingTemplateId=17069> item number 17. A synopsis was published in the Argus on June 14, 2024. This recommended action will finalize the FY 2024-25 Budget and establish an effective date of 30 days from adoption.

PUBLIC OUTREACH

This agenda item appeared on the City's tentative agenda document on June 3, 2024 which was a publicly-noticed meeting.

ENVIRONMENTAL REVIEW

These actions are exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

FINANCIAL IMPACTS

The estimated beginning fund balance for all funds is \$162,145,963. The total budget for the City, City Acting as Successor Agency and City Acting as Housing Successor, including transfers is \$313,816,711. The budget is balanced by revenues, transfers in and year-end reserve adjustments of \$285,780,636. This will result in an estimated ending balance, all funds of \$134,109,888.

ATTACHMENTS

1. Ordinance No. 2889 N.C.S. Appropriating Funds for FY 2024-2025 Operating and Capital Improvement Program Budget
 - a. Exhibit A – Appropriation of Funds (Second Reading)