



DATE: August 5, 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 Ordinances Amending Ordinances 2881, 2885, 2886 N.C.S. to Change Certain Appropriations for the Operations of the City of Petaluma from July 1, 2023 to June 30, 2024 and Finding that this Action is Not a Project Pursuant to CEQA Guidelines Section 15378(B)(5).

RECOMMENDATION

It is recommended that the City Council adopt the City Appropriations Ordinances to amend appropriations from July 1, 2023 to June 30, 2024

BACKGROUND

The Ordinances were introduced and unanimously approved (7-0) for first reading at the July 15, 2024 City Council Meeting. The proposed Year-end Budget Adjustments are to the Adopted Budget for FY 2023-2024, previously approved on June 5, 2023. The FY 23/24 budget can be viewed on the website at <https://cityofpetaluma.org/documents/fiscal-year-2024-adopted-budget/>. The adjustments would modify appropriations approved by Ordinances 2881, 2885, 2886 N.C.S. Section 60 of the City Charter requires an affirmative vote of 4 Council Members to approve appropriation ordinance amendments.

DISCUSSION

The proposed budget adjustments are for the General Fund, Measure U Fund, Special Revenue and Trust Funds, and Capital Projects for the fiscal year ending June 30, 2024.

PUBLIC OUTREACH

This agenda item appeared on the City's tentative agenda document on July 15, 2024 which was a publicly-noticed meeting.

ENVIRONMENTAL REVIEW

Environmental analysis for compliance with the California Environmental Quality Act (CEQA) was already completed with each adjustment, transfer, and encumbrance. Additionally, the proposed action is exempt from the requirements of CEQA in accordance with CEQA Guidelines Section 15378, in that adopting Ordinances amending the Appropriations Ordinances for the Operations of the City of Petaluma from July 1, 2023 to June 30, 2024 does not meet CEQA's definition of a "project," because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and because the action constitutes organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

FINANCIAL IMPACTS

The net financial impacts to the various fund categories associated with the recommended budget adjustments are as follows:

- General Fund and Measure U Fund balance has no net impact
- Special Revenue Funds decrease in fund balance of \$4,626,975
- Capital Projects Funds increase in fund balance of \$1,283,336

ATTACHMENTS

1. Appropriations Ordinance Amendment, General Fund and Measure U Fund
 - a. Exhibit A – Detailed FY 2023/24 Year-end Budget Adjustments
2. Appropriations Ordinance Amendment, Special Revenue and Trust Funds
 - a. Exhibit A – Detailed FY 2023/24 Year-end Budget Adjustments
3. Appropriations Ordinance Amendment, Capital Projects Funds
 - a. Exhibit A – Detailed FY 2023/24 Year-end Budget Adjustments