

Bryant Moynihan

Petaluma, CA

June 17, 2024

RE: Agenda Item 7: Second Reading of FY 2024-25 Budget Appropriations Ordinance

Dear City Council:

I am following up on my May 29th 2024 letter to the Council regarding the proposed budget. It is unfortunate that the City Staff has not provided the Council with a current Position Control Report so that the Council may make an informed decision. It was suggested by staff that there are 24 unfilled, funded positions. This means there is approximately \$5,000,000 in slop in this budget. There is no intent to fill these positions. The funds will be used to pay for overtime, pay increases and cost overruns.

Did you notice that the Council did not review the 2023-24 Budget vs. Actual numbers? You would have found large budget variances. The Council has only looked at the "Revised Budget". Which is the staff's estimated year end actual for the FY 2023-24 adopted budget. Did you know that when the Council adopts the 2024-25 Budget it also adopts the 2023-24 Revised Budget numbers retroactively? That way the Comprehensive Annual Financial Report (CAFR) doesn't show last year's large budget variances.

In 2020, the City Council was told that Petaluma would go bankrupt if they didn't pass a sales tax. Yet, the City Attorney's "Impartial Analysis of Measure U" suggested that staff was recommending that the funds be spent on "Community Identified City Service Priorities". He knew that the city was going to spend it on salaries and benefits. Last meeting, it was stated that 85% of the taxes now goes into the General Fund. Measure U was a "Bait and Switch" effort. The Citizen's Oversight Committee has helplessly watched the City staff write their annual report to the council, never being allowed to appear in front of the Council to express their frustrations.

Only a handful of the City's Capital Improvement Program (CIP) projects are ever completed. Including the CIP in the annual budget process distorts the numbers. Remember, there are no actual funds dedicated to the specific CIP project. I remember when the Rainier Ave Interchange and Cross-Town Connector Project had "received" \$3,000,000 in Traffic Mitigation Developer Impact Fees in one year which disappeared in the next year's CIP budget.

Please Vote No on this Budget. It will have a long-term negative impact on our community.

Sincerely,



Bryant Moynihan