

## RESOLUTION 2023-18

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FORTUNA ADOPTING THE ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2023-24

**WHEREAS**, the Annual Operating Budget for Fiscal Year 2023-24 for the City of Fortuna beginning July 1, 2023, as presented by the City Manager, has been reviewed and discussed by the City Council during multiple public budget workshop sessions and a public hearing has been held; and

**WHEREAS**, the City Council received public comment during the budget workshop sessions and reviewed, studied, and directed the City Manager to revise portions of the proposed Annual Operating Budget; and

**WHEREAS**, the proposed Annual Operating Budget for Fiscal Year 2023-24 for the City of Fortuna was presented at a duly noticed Public Hearing by the City Manager on June 5, 2023; and

**WHEREAS**, the voters of California added Article XIII(B) to the State Constitution placing limitations on the appropriations of Fortuna's revenues; and

**WHEREAS**, the City is required to adhere to the revenue appropriations limitations imposed by Article XIII(B) to the State Constitution; and

**WHEREAS**, the City of Fortuna must use the percentage change in the population factor as of January 1, 2023, in conjunction with a change in the cost of living, or price factor to calculate the appropriation limit for fiscal year 2023-24.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Fortuna as follows:

**Section 1. Budget Adoption:**

The budget document entitled "City of Fortuna 2023-24 Fiscal Year Annual Operating Budget" as presented by the City Manager at a public hearing on June 5, 2023, is adopted as the City of Fortuna's Annual Operating Budget for the 2023-24 fiscal year, and the amounts stated therein as proposed expenditures shall be appropriated to the objects and purposes therein.

**Section 2. Budget Transfers:**

The City Manager is authorized to make budget transfers within a department from one object account to another object account without increasing the overall budget for the department in accordance with City Council Policy.

**Section 3. Modifications to the Budget:**

The City Council shall approve, in advance, all the following types of proposed modifications:

- A. Any significant change in program level or content.
- B. Any increase in total appropriations.
- C. Any budget transfer from one department to another.
- D. Any substitution in capital projects or capital items.

**Section 4. Self Supporting Programs:**

With regard to self-supporting recreation programs and other similar programs, the above provisions for budgetary approval shall not apply providing there will be no net cost to the City. Nonetheless, the City Manager shall present to the City Council in a public meeting any proposed modification in self-supporting programs for review and approval.

**Section 5. Spending Limits:**

Subject to California Constitution Article XIII (B), the City of Fortuna's fiscal year 2023-24 appropriations limit total is \$21,417,964 with the proceeds of taxes limit totaling \$7,229,200 leaving an available surplus of \$14,188,764.

**Section 6. Per Capita Change and Growth Rate:**

The City Council selected the State of California cost of living factor of percentage change in per capita personal income of 4.44% and the County of Humboldt growth rate of negative 0.358 percent between January 1, 2022 and January 1, 2023, as established by the California Department of Finance, to compute the FY 2023-24 Appropriation Limit.

**PASSED AND ADOPTED** on this 5<sup>th</sup> day of June, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Tami Trent, Mayor

ATTEST:

\_\_\_\_\_  
Buffy L. Gray, Deputy City Clerk