

# **STAFF REPORT**

## *City Council Consent Item*

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**DATE:** February 21, 2023

**TO:** Honorable Mayor and Council Members

**FROM:** Aaron Felmlee, Finance Director

**THROUGH:** Merritt Perry, City Manager

**SUBJECT:** Finance Department Monthly Report

**STAFF RECOMMENDATION:**

Receive report as an informational item.

**EXECUTIVE SUMMARY:**

**Recognized Obligation Payment Schedule (ROPS):**

The City of Fortuna became the Successor Agency to the Former Fortuna Redevelopment Agency after the State dissolved all Redevelopment Agencies back in 2012. As such, the City, as the Successor Agency, must submit an annual Recognized Obligation Payment Schedule (ROPS) to the State Department of Finance in order to receive funds to pay down the Former Fortuna Redevelopment Agency's outstanding obligations.

The ROPS was successfully submitted to the Department of Finance (DOF) on January 31. The DOF requested supporting documentation, which staff provided to the DOF on February 2, to certify the amounts being claimed and will send a final funding determination letter to the City by April. The final funding determination will be incorporated into the annual City Budget and discussed with the Council during the City's special budget workshops.

**Fiscal Year 2023-24 Budget:**

Staff presented the mid-year budget review at the February 6 Council Meeting. Conducting this review is the first step in preparing the FY 2023-24 budget. The next steps include staff compiling preliminary revenue estimates and soliciting each departments FY 2023-24 budget requests.

Part of the solicitation of department requests will be a separate list of items each department is requesting to be funded from the City's transaction and use tax, Measure E. These lists will be presented to the Measure E committee on March 21. The committee then has a follow up meeting scheduled for April 4 to discuss which of those items presented to them will be included in the committee's recommendation to the City Council. Once staff has compiled this information, a special budget workshop will be scheduled where it will be presented and discussed with the Council. Staff is targeting the beginning of May for the first special budget workshop with Council.

**Measure E Update:**

The Measure E committee held a regularly scheduled meeting on January 18, 2023 at 5:30pm. The primary purpose of this meeting was to solicit project ideas and funding input from the public. The committee received one public item that had been submitted prior to the meeting. The committee will consider this public input idea at the April Measure E regular meeting after staff have had the opportunity to put a cost estimate to the proposed projects.

The Measure E committee's next regularly scheduled meeting is set for March 21, 2023 at 5:30pm. The primary purpose of this meeting will be for the committee to receive funding proposals from City Departments.

*List of Measure E items funded this month:*

- (2) Police Detective Positions
- Police Community Services Officer Position
- Police Records Clerk Position
- Parks and Recreation Director Position
- Recreation Program Supervisor Position
- Transit Trips to Eureka for Seniors
- PT Code Compliance Officer Position
- K-9 Program
- Storm Drain Infrastructure Vulnerability Assessment Project
- Prop 1 LID 12th St Project
- Rohner Park Basketball Expansion Project
- Monday Club Sponsorship for the Senior Jam

An activity log displaying important Finance data is attached for informational purposes. Additionally, the December 31, 2022 Treasurer's Report is attached.

**RECOMMENDED COUNCIL ACTION:**

Receive Finance Department Monthly Report. Consent agenda vote.

**ATTACHMENTS:**

- Finance Staff Activity Log for January 2023
- December 31, 2022 City Treasurer's Report