

STAFF REPORT

Consent Agenda Item

DATE: June 17, 2024

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:

Transit Fare Ratio:

The City of Fortuna operates a specialized transit service in which it receives funding through the Transportation Development Act (TDA). In order to be in compliance with the TDA and continue to receive funding the City's transit system must maintain a ratio of fare revenues to operating costs of at least 10 percent per Section 6633.5 of the TDA code.

The last two years the City has not met the 10 percent threshold with 2023's ratio ending at only 6%. However, the compliance requirements for 2023 were waived under the provisions of AB-90 due to COVID. With that being said it is important for the City to continue to monitor the City's Fare Box ratio in order to get back to the required 10% ratio. As of the end of May 2024, 2024's fare box ratio was 7%, short about \$5,000 in fare revenue.

New Fiscal Year:

With the close of fiscal year 2023-24 at the end of the month, Finance staff are working diligently on both closing out fiscal year 2023-24 and preparing to open up next fiscal year 2024-25. The year-end process entails running numerous reports, making audit adjustment entries, reconciling accounts, and ensuring all invoices for the 2023-24 year are paid timely. The new fiscal year entails uploading the new budget, issuing open purchase orders, and updating payroll numbers to reflect the fiscal year 2024-25 rates for wages, Cal-PERS pension plans, Health, and other benefits.

Measure E Update:

The Measure E committee's next regularly scheduled meeting is set for September 17, 2024 at 5:30pm. The primary purpose of this meeting will be for Staff to review with the Committee the list of Measure E funded projects that were included in the Council Adopted Budget for fiscal year 2024-25.

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
- Police Officer Over Hire
- Transit Trips to Eureka for Seniors
- PT Code Compliance Officer Position
- K-9 Program
- Storm Drain Infrastructure Vulnerability Assessment Project
- Street Maintenance Projects
- Police Facility Project

An activity log displaying important Finance data is attached for informational purposes.

RECOMMENDED COUNCIL ACTION:

Receive Finance Department Monthly Report. Consent Agenda vote.

ATTACHMENTS:

- Finance Staff Activity Log for May 2024