

# REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: December 4, 2012

SUBJECT: Approve Annual Measure E Report for Fiscal Year Ending June 30,

2012

### **Recommendation for Action**

Staff recommends that the City Council approve the Annual Measure E (MSE) Report for Fiscal Year Ending June 30, 2012 and direct staff to publish the required excerpts of the report in the Daily Democrat and on the City's website.

## **Fiscal Impact**

MSE receipts and expenses were accounted for and used in accordance with the approved MSE spending plan. Per City Council direction in 2010, the MSE spending plan will be reviewed by Council annually. We plan to bring an update to the spending plan to Council in early 2013 so that revenue expectations and projects can be reviewed and programmed in the FY 2014 budget.

#### **Background**

On June 6, 2006, the Woodland voters approved MSE, which extended the ½ cent supplemental sales tax collected within the boundaries of and for the benefit of the City of Woodland. Additionally, the voters approved three advisory measures outlining the types of projects for which proceeds from MSE would be spent:

- Measure B, approved by 66.8% of voters, allocated a minimum of \$30.2 million or 45% of MSE for road rehabilitation;
- Measure C, approved by 69.37% of voters, approved funding for Community and Senior Center Phase II, Sports Park and renovation and improvements of parks, recreation facilities and pools;
- Measure D, approved by 53.4% of voters, approved funding for expansions of the Library,
   City Hall and the Opera House

On February 6, 2007, the City Council adopted the initial Measure E Spending Plan, which provided the allocation of total anticipated MSE revenues in a manner consistent with legal restrictions,

**SUBJECT:** Approve the Annual Measure E Report for Fiscal Year Ending June 30, 2012

PAGE: 2 ITEM:

advisory measures, and Council policy direction. Included with the spending plan was a resolution calling for preparation of an annual financial report and an updated bi-annual spending plan. The first annual financial report was provided to Council in September 2007 and subsequently each year with the most recent financial report presented on December 6, 2011. The Council adopted a revised MSE Spending Plan at the July 3, 2012 meeting.

#### Discussion

The following table includes a summary of the budget uses as adopted in the 2012 MSE Spending Plan, and the FY2012 Expenditures. Final revenues for MSE during FY2012 were \$4,009,528, which is approximately \$309,500 more than anticipated.

Project Description	Approved MSE Spending Plan (7/3/12) Total Budget	Life To Date Expenditures	FY 12 Expenditures
Rehabilitation, Renovation &			
Improvements			
Roads	\$ 18,763,920	\$ 6,618,237	\$ 1,497,592
Parks/Ball Fields/Pools	\$ 3,249,279	\$ 1,703,340	\$ 389,364
Library Repair	\$ 273,688	\$ 273,688	\$ 0
Opera House	\$ 852,793	\$ 582,793	\$ 5,000
Construction Projects			
Community & Senior Center Ph. II/ Sports Park Ph. I (see note)	\$ 3,854,468	\$ 1,955,647	\$ 392,119
Sports Park – 6 <sup>th</sup> Field	\$ 650,000	\$ 0	\$ 0
Literacy Center	\$ 600,000	\$ 0	\$ 0
Civic Center Expansion	\$ 329,455	\$ 279,455	\$ 0
Reserve	\$ 2,000,000	\$ 0	\$ 0
Long Term Loan for Debt Service on CSC/Sports Park	\$ 18,000,000	\$ 6,000,000	\$ 2,000,000
Total	\$ 48,573,603	\$ 17,413,159	\$ 4,284,075

Note: Bond proceeds are not included as revenue, nor are the expenditure of those proceeds included in the life to date or FY 12 expenditure amounts. The expenditure amounts in this table represent the debt service for those bonds, which is the accurate expense of MSE funds for those projects. Future debt service obligations have been reduced to reflect savings from refinancing the 2007 bonds in 2012. The project overhead amounts are included in the amount shown for roads.

**SUBJECT:** Approve the Annual Measure E Report for Fiscal Year Ending June 30, 2012

PAGE: 3
ITEM:

# Conclusion

Staff recommends that the City Council approve the Annual Measure E Report for Fiscal Year Ending June 30, 2012 and direct staff to publish the required excerpts of the report in the Daily Democrat and on the City's website.

Prepared by:

Lynn Johnson

Senior Management Analyst

Reviewed by:

Kimberly McKinney

Finance Officer

Paul Navazio

City Manager