



Legislation Text

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Presentation and Discussion on Measure W Financials Update (Karen Chang, Director of Finance)

RECOMMENDATION

This report is informational and requires no formal action from the Committee.

BACKGROUND/DISCUSSION

On November 3, 2015, South San Francisco residents approved a half-cent sales tax by an overwhelming majority. The adoption of Measure W ensures that the City of South San Francisco will be able to maintain and enhance locally controlled City services that the community cares about and has come to expect - including neighborhood police patrols, 911 response times, crime and gang suppression programs, street maintenance and pothole repair, maintaining youth/teen educational/recreational programs, providing a police operations center that meets earthquake safety codes, and other essential services.

The voter-approved half-cent sales tax (Measure W) went into effect on April 1, 2016. Since that time, the sales tax proceeds have been accounted for separately from the City's General Fund to track the commensurate revenues and expenditures.

Major projects currently funded by Measure W are:

1. Community Civic Campus Program
 - a. Police Operations & 911 Dispatch Center (pf1707)
 - b. Library, Parks and Recreation and Community Theater/Council Chamber (pf2103)
2. Orange Memorial Park Project
 - a. Multi-Use Sports Fields
 - b. Aquatic Center
 - c. Park Playground
 - d. Park Bridges
3. Paving Program
Use to augment City efforts towards street maintenance and pothole repairs

In this meeting, the City's auditor, Maze & Associates (Maze) will provide an overview of our Fiscal Year (FY) 2022-23 audit plan and scope. The City is still in the process of closing the books for FY 2022-23. We will provide an update on the preliminary Measure W results before the issuance of the Annual Comprehensive Financial Report.

A. MEASURE W FUND BALANCE THROUGH JUNE 30, 2023 (PRELIMINARY)

The following is a summary of Measure W revenues and expenditures since its inception through June 30, 2023:

Table 1: Measure W Fund Balance Summary

	Cumulative Total as of June 30, 2020	FY 20/21	FY 21/22	FY 22/23 7/1/22 - 6/30/23	Inception Total as of June 30, 2023
TOTAL REVENUES	45,891,353	13,379,292	15,399,766	15,618,697	90,289,108
Expenditures					
Civic Campus	24,569,553	16,693,441	3,019,534	2,278,676	46,561,204
Paving Program	5,935,264	964,312	174,279	48,381	7,122,236
Debt Service	407,155	2,767,200	8,287,833	8,289,450	19,751,638
TOTAL EXPENDITURES	30,911,972	20,424,953	11,481,646	10,616,507	73,435,078
Revenue Less Expenditures	14,979,381	(7,045,661)	3,918,120	5,002,190	16,854,030
FUND BALANCE	14,979,381	7,933,720	11,851,840	16,854,030	16,854,030

As shown above, the fund balance for Measure W as of June 30, 2022, was \$11,851,840 which is reflected in pages 116 and 117 of the City’s Annual Comprehensive Financial Report for year ended June 30, 2022. The fund balance (unaudited) for the fiscal year ended June 30, 2023, is \$16,854,030.

The completed financial report for fiscal year 2021-22 can be found on the City’s website:

B. FY 2022-23 REVENUES

In FY 2022-23, the City collected \$15.6 million in Measure W sales tax revenues.

C. FY 2022-23 EXPENDITURES

The following is a summary of expenditures as of June 30, 2023:

Table 2: Expenditures by project

	Budget	Actual	Remaining Balance
Civic Campus Construction (pf1707, pf2103)	14,581,039	2,278,676	12,302,363
Paving Program (st2104, st1903)	1,160,626	48,381	1,112,245
Debt Service	8,289,450	8,289,450	-
TOTAL Expenditures	24,031,115	10,616,507	13,414,608

Payroll expenditures related to the administration of Measure W funds will be allocated to the projects during year end.

Ongoing Capital Project Funds appropriated in prior years by Council but unspent will be carried over as appropriated funds to be spent in FY 2023-24 or future years.

CONCLUSION

In FY 2022-23, the City collected \$15.6 million in Measure W sales tax revenues and expended \$10.6 million in compliance with the Measure W ballot measure language.

Attachments:

1. Revenues Detail report - FY 2022-23 (preliminary)
2. Expenditures Detail report - FY 2022-23 (preliminary)
3. Pf1707 project summary and detail FY 2022-23 (preliminary)
4. Pf2103 project summary and detail FY 2022-23 (preliminary)
5. Power Point Presentations