

**REPORT TO THE
MEASURE V OVERSIGHT
COMMITTEE**
City of Salinas, California

Agenda Item Number

DATE: July 10, 2006

FROM: Dave Mora, City Manager

SUBJECT: Oversight Process

Finance Review

Attorney Review

City Manager Approval

BACKGROUND

The voter approved City transaction and use tax (Measure V) includes an oversight committee appointed by the City Council. The committee has two (2) major responsibilities – recommending the specific uses of Measure V funds to the City Council and overseeing the use of Measure V funds to assure consistency with the voter approved tax and the appropriated use of Measure V funds. The Committee has completed the substantial part of its FY2006-2007 work associated with the recommendations for use of funds. It is now appropriate for the Committee to establish an oversight process.

The oversight process is at least inclusive of two (2) items – first, oversight of the City’s accounting for the receipt of Measure V funds; and second, oversight to assure that the funds are used as appropriated. Given the state’s separate and distinct process for the distribution of funds and the appropriation of funds for specific programs and services, the oversight process is easily designed and implemented.

Exhibit “A” lists the FY2006-2007 reports and a meeting schedule suggested by staff to assure that the oversight function can be accomplished by the committee. Both Measure V revenues and expenditures will be documented on a monthly basis and reported to the committee, the community, and the City Council. It is suggested that the committee meet after each calendar quarter to formally review both the monthly and quarterly reports. Each quarterly report would include three (3) months revenue and expenditure data, a year-to-date revenue and expenditure analysis, and a determination as to what, if any, savings would be available for appropriation based on expenditures to date. Given the amount of projected savings that may be available, the committee could consider mid-year appropriations recommendations.

Dates have been identified for each of the quarterly meetings with an additional date identified should the committee need additional time for review and consideration of the information.

Finally, staff has suggested a target date for committee review of FY2007-2008 appropriations. Although \$10,000,000 in annual operating budget appropriations have been identified and approved by the committee and City Council, potential revenue growth might allow for additional appropriations in future years. At a minimum, the committee will have to consider potential one-time expenditures in future years as savings might from vacancies in programs.

ISSUE

Shall the Committee approve an oversight program and schedule for FY2006-2007?

ALTERNATIVES

1. Approve the report outline and meeting schedule as recommended.
2. Amend the report outline and meeting schedule.

FISCAL IMPACT

There is no distinct fiscal impact other than staff time associated with the production of the reports and attendance at meetings. The process is required by Measure V but any costs will not be charged to Measure V.

RECOMMENDATION

The reports and meeting schedule being recommended will allow the Measure V Oversight Committee with the opportunity to fulfill the mandate described in Measure V. Therefore, staff recommends that the Committee approve the outline of reports and meetings described in Exhibit "A".

Distribution

City Manager
City Attorney
All Departments

Attachments

Exhibit A

Exhibit A

MEASURE V OVERSIGHT COMMITTEE

Revenues / Expenditures / Trust Fund Balance Reports

Monthly Statement of Measure V Revenues
Monthly Statement of Measure V Expenditures
Monthly Statement of Measure V Trust Fund Balance
Reports to be reviewed on a monthly basis for consistence with appropriations

Quarterly Statement of Measure V Revenues
Quarterly Statement of Measure V Expenditures
Quarterly Statement of Measure V Trust Fund Balance
Estimated Current Year Carryover

YTD Statement of Measure V Revenues
YTD Statement of Measure V Expenditures
YTD Statement of Measure V Trust Fund Balance
Estimated Current Year Carryover

Committee Meeting Schedule for FY2006-2007

October 16, 2006 – Oversight Emphasis (October 23 if required)
January 22, 2007 – Oversight Emphasis (January 29 if required)
April 16, 2007 – Oversight Emphasis (April 23 if required)
May 7, 2007 – FY2007-2008 Recommendations (May 14 if required)