


THIS MATERIAL HAS
BEEN REVIEWED BY:



Town Manager

CORTE MADERA TOWN COUNCIL
STAFF REPORT

Report Date: February 1, 2017
Meeting Date: February 7, 2017

TO: MAYOR, TOWN COUNCIL AND TOWN MANAGER

FROM: REBECCA VAUGHN,
TOWN CLERK/ASSISTANT TO THE TOWN MANAGER

SUBJECT: RECEIVE REPORT FROM SALES TAX CITIZENS OVERSIGHT
COMMITTEE REGARDING FISCAL YEAR 2015-2016 ANNUAL
REPORT

RECOMMENDATION:

That the Council receive the report from the Sales Tax Citizens Oversight Committee Chair, Karen Gerbosi, regarding the Committee's Fiscal Year 2015-2016 Annual Report.

TOWN MANAGER'S RECOMMENDATION:

Support staff's recommendation.

BACKGROUND:

The Sales Tax Citizens' Oversight Committee met on January 10, 2017. Items on the agenda included review and discussion of the report, "FY 2015-2016 Sales Tax Override Transactions and Ending Balance on Accrual Basis" and discussion and possible direction to approve the Committee's Annual Report for Fiscal Year 2015-2016.

The Committee discussed the draft annual report document, and approved the report with the recommended changes. Committee Chair Karen Gerbosi will present the report to the Town Council and answer any questions regarding the content of the report.

ATTACHMENT:

1. Report for Fiscal Year 2015-2016

ATTACHMENT 1

Report for Fiscal Year 2015-2016

SALES TAX CITIZENS' OVERSIGHT COMMITTEE
FISCAL YEAR 2015/2016 ANNUAL REPORT

February 1, 2017

Opening Balance:	\$3,065,871.77
Revenue:	2,578,646.58
Expenditures:	(1,029,620.89)
Closing Balance:	\$4,614,897.46

The Sales Tax Citizens' Oversight Committee has reviewed the revenue and expenditures of the Transactions and Use Tax (Corte Madera Sales Tax Override) and found them to be consistent with the provisions and purpose of the Tax.

Sales tax revenues have been collected since April 1, 2014. The fiscal year of 2015/2016 is the first fiscal year that there have been expenditures from the sales tax revenue. The expenditures for the 2015-2016 fiscal were in the amount of \$1,029,620.89. The following is a brief summary of these expenditures, by category as listed in Corte Madera Town Council Resolution 28/2013¹:

Category	2015-1016 Expenditures	Percentage
One - Fire prevention		
Pumper	399,950.83	
Command vehicle	54,169.77	
Fire prevention total:	\$454,120.60	44.11%
Two - Flood control		
Flood control projects	30,036.88	
Flood control machinery & equipment	31,518.62	
50% of street sweeper	128,618.37	
50% of capital project planning	8,765.07	
Flood control total:	\$198,938.94	19.32%
Three - Streets and potholes		
Street maintenance vehicles	63,977.39	
50% of street sweeper	128,618.36	
Streets and potholes total:	\$192,595.75	18.71%

¹ Expenditure assignments were made during the January 10, 2017 Sales Tax Citizens' Oversight Committee meeting with staff guidance from Administrative Services Director George T. Warman, Jr. and Town Manager Todd Cusimano

Four - Disaster preparedness²		
Disaster preparedness total:	0.00	0.00%
Five - Safe routes to school		
Pedestrian safety at intersections	85,963.95	
50% of capital project planning	8,765.07	
Safe routes to school total:	\$94,729.02	9.20%
Six - Senior and youth programs³		
Parks and landscaping	89,236.58	
Senior and youth programs total:	\$89,236.58	8.67%
TOTAL:	\$1,029,620.89	100.00%

In our judgment, these special tax revenues have been under-allocated to Disaster Preparedness and Senior and youth programs and we encourage the Town Council to remedy this in the upcoming budgets.


 Karen Gerbosi, Committee Chair

Attachment:

Memo from Administrative Services Director George T. Warman, Jr., Dated October 28, 2016: "FY 2015-2016 Sales Tax Override Transactions and Ending Balance on Accrual Basis"

² Disaster Preparedness Coordinator: \$20,000 was budgeted for Disaster Preparedness Coordinator for this fiscal year. Invoice for expenses incurred has not yet been received.

³ Senior and Youth Programs: \$89,236.58 expended for this fiscal year was for park maintenance vehicles and equipment.

MEMORANDUM

TO: Town Manager

FROM: George T. Warman, Jr., Director of Administrative Services/Town Treasurer

DATE: October 28, 2016

SUBJECT: FY 2015-2016 Sales Tax Override Transactions and Ending Balance on Accrual Basis

The Corte Madera ½ Cent Sales Tax Override (State of California – Board of Equalization Fund Number 353) became effective April 1, 2014. Transactions on the accrual basis during FY 2015-2016 resulted in an ending balance of \$4,614,897.46. The Summary Transactions were as follows:

	<u>Original Budget</u>	<u>Final Amended Budget</u>	<u>Actual</u>
Opening Balance July 1, 2015	---	---	3,065,871.77 (Attachment #1)
Sales Tax Override (Accrual Basis)	2,500,000	2,500,000	2,578,646.58 (Attachment #2)
Expenditures	<1,800,300>	<1,028,000>	<1,029,620.89> (Attachment #3)
Held in Reserve	<u>2,500,000</u>	<u>2,500,000</u>	----- ---
Closing Balance June 30, 2016	---	---	4,614,897.46 * (Attachment #1)

*Includes \$2,500,000 held in reserve for general fund cash flow purposes-avoids necessity for annual TRANS

Attachment #4 includes pages from the June 30, 2015 Comprehensive Annual Financial Report (CAFR), otherwise referred to the Audited Financial Statements. Page 134 of the June 30, 2015 CAFR, summarizes Town Fund Number 120 which is a segregation of the Town General Fund for tracking transactions of the Sales Tax Override. The ending balances are transferred over to the General Fund proper on pages 34 and 35 (only on page 34 for the June 30, 2015 Statements) as the Sales Tax Override is an integral part of the Town General Fund.

When the June 30, 2016 Comprehensive Annual Financial Report (CAFR) is available sometime after January, 2017, those pages will be included in next year's report.

This report is up on the Town Website in the Finance Section.



George T. Warman, Jr.
Director of Administrative Services/
Town Treasurer

Attachments:

1. Opening Balances
2. Revenue Transactions
3. Expenditure Transactions
4. June 30, 2015 CAFR Sales Tax Override Pertinent Pages

CC: Mayor and Town Council
Sales Tax Citizen Oversight Committee
Town Clerk