



Legislation Text

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Informational Report on Measure W fund balance and expenditures for 1<sup>st</sup> Quarter of 2023-24 (*Karen Chang, Finance Director*)

**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 a preliminary Measure W financial for Fiscal Year (FY) 2022-23.

**A. MEASURE W FUND BALANCE THROUGH SEPTEMBER 30, 2023**

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

**Table 1: Measure W Fund Balance Summary**

	Cumulati Total as o June 30, 20	FY 21/22	FY 22/23	FY 23/24 7/1/23 - 9/30/	Inception Total as o September 30, 2023
<b>TOTAL REVENUES</b>	59,270,645	15,399,766	15,618,697	1,288,075	91,577.1
					-
<b>Expenditures</b>					-
Salaries & Benefits	267,867	279,785	287,295	39,528	874.47
Services & Supplies	275,622				275.62
Transfers Out to Capital Improvement Fund					-
- Civic Campus	40,907,394	2,755,016	2,088,941		45,751.3
- Street Paving Program	6,711,687	159,012	44,071	-	6,914.7
Debt Services	3,174,355	8,287,833	8,289,450	-	19,751.6
<b>TOTAL EXPENDITURES</b>	51,336,925	11,481,646	10,709,757	39,528	73,567.8
Revenue Less Expenditures	7,933,720	3,918,120	4,908,940	1,248,547	18,009.3
<b>FUND BALANCE</b>	<b>7,933,720</b>	<b>11,851,840</b>	<b>16,760,780</b>	<b>18,009,327</b>	<b>18,009,327</b>

As shown above, the preliminary fund balance for Measure W as of June 30, 2023, was \$16,760,780. The fund balance as of September 30, 2023, was currently at \$18,009,327.

**B. FY 2023-24 Q1 REVENUES**

The City has collected approximately \$1.3 million in Measure W sales tax revenues. This amount represented the sales tax revenue for July 2023. There are usually a 2-month lag in collection.

**C. FY 2023-24 EXPENDITURES**

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

Table 2: Expenditures

	Budget	Actual	Remaining Balance
Salaries and Benefits	475,635	39,527	436,108
Civic Campus Construction (pf1707, pf2103)	-	-	-
Paving Program (st2104, st1903)	-	-	-
Debt Service	8,286,750	-	8,286,750
<b>TOTAL Expenditures</b>	<b>8,762,385</b>	<b>39,527</b>	<b>8,722,858</b>

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. Finance is still in the process of rolling over the budget for capital projects.

CONCLUSION

In FY 2023-24, the City collected \$1.3 million in Measure W sales tax revenues and expended \$40K in 1<sup>st</sup> Quarter.

Attachments:

1. Revenue Detail report -Q1 FY 2023-24
2. Expenditure Detail report -Q1 FY 2023-24
3. Power Point Presentations



# Presentation to Measure W Citizens' Oversight Committee

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Karen Chang, Director of Finance

December 6, 2023



# Overview of Measure W Financials

Fiscal Year Ended	Culmulative Total as of June 30, 2021	FY 21/22	FY 22/23	FY 23/24 -YTD as of 9/30/23	Total as of September 30, 2023
<b>Total Revenues</b>	<b>59,270,645</b>	<b>15,399,766</b>	<b>15,618,697</b>	<b>1,288,075</b>	<b>91,577,183</b>
<b>Expenditures</b>					
Salaries & Benefits	267,867	279,785	287,295	39,528	874,475
Services & Supplies	275,622				275,622
Transfers Out to Capital Improvement Fund					-
Civic Campus	40,907,394	2,755,016	2,088,941		45,751,351
Street Paving Program	6,711,687	159,012	44,071	-	6,914,770
Debt Service	3,174,355	8,287,833	8,289,450	-	19,751,638
<b>Total Expenditures</b>	<b>51,336,925</b>	<b>11,481,646</b>	<b>10,709,757</b>	<b>39,528</b>	<b>73,567,856</b>
<b>Revenue Less Expenditures</b>	<b>7,933,720</b>	<b>3,918,120</b>	<b>4,908,940</b>	<b>1,248,547</b>	<b>18,009,327</b>
<b>FUND BALANCE</b>	<b>7,933,720</b>	<b>11,851,840</b>	<b>16,760,780</b>	<b>18,009,327</b>	<b>18,009,327</b>

# FY 2023 – 24 Q1 Budget vs Actual

<b>Expenditures</b>	<b>Budget</b>	<b>Actual</b>	<b>Remaining Balance</b>
Salaries and Benefits	475,635	39,527	436,108
Debt Service	8,286,750	-	8,286,750
<b>TOTAL Expenditures</b>	<b>8,762,385</b>	<b>39,527</b>	<b>8,722,858</b>

# Fund Balance and Balance Sheet - FY 2024

<b>Beginning Fund Balance on 7/1/2023</b>		\$16,760,780
Add Revenues		1,288,075
Less Expenditure		(39,528)
Ending Fund Balance on 6/30/2023		<hr/> \$18,009,327
 <b>Balance Sheet as of 9/30/2023</b>		
Assets		\$18,009,327
Cash and Investment	18,009,327	
Receivables	-	
		<hr/>
Liability		-
Fund Balance as of 9/30/2023		\$18,009,327



QUESTIONS