



Legislation Details (With Text)

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Title: Approve the Infrastructure Fund Annual Report for Fiscal Year 2016-17

Attachments: 1. Att#1 Infrastructure Fund Annual Rpt FY 2016-17.pdf

Date	Ver.	Action By	Action	Result
6/18/2018	1	City Council/Public Financing Authority	approved	Pass

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Fred A. Wilson, City Manager

PREPARED BY: Travis K. Hopkins, PE, Director of Public Works

Subject:

Approve the Infrastructure Fund Annual Report for Fiscal Year 2016-17

Statement of Issue:

The City Charter requires an annual review and performance audit of the Infrastructure Fund and a report of the findings to the City Council. This review covers FY 2016-17.

Financial Impact:

Not applicable.

Recommended Action:

Approve the Infrastructure Fund Annual Report for FY 2016-17.

Alternative Action(s):

Instruct staff to make revisions and resubmit at a later date.

Analysis:

The Infrastructure Fund was established in 2002, by City Charter Section 617(c), which states, "the City Council shall by ordinance establish a Citizens Infrastructure Advisory Board (CIAB) to conduct an annual review and performance audit of the Infrastructure Fund and report its findings to the City Council."

The single substantial revenue source to the fund is General Fund excess fund balance per the Financial Policy adopted in FY 2006-07 and revised in FY 2009-10. The policy states the General Fund unassigned fund balance will be allocated 50% to the Economic Uncertainties Reserve, 25% to

the Infrastructure Fund and 25% to the Capital Improvement Reserve. There was a General Fund transfer of \$500,000 to the Infrastructure Fund in FY 2016-17. Other revenue included interest and a reimbursement from the County related to the Harbour Dredging Project. Expenditures for the year totaled \$2,751,000. The fund balance at the end of the year was \$4,859,562.

Per the City Charter, the Infrastructure Fund is designated for the sole purpose of infrastructure expenditures. "Infrastructure" is defined in the Charter as "long-lived capital assets that normally are stationary in nature and normally can be preserved for significantly greater number of years. They include storm drains, storm water pump stations, alleys, streets, highways, curbs and gutters, sidewalks, bridges, street trees, landscaped medians, parks, beach facilities, playgrounds, traffic signals, streetlights, block walls along arterial highways, and all public buildings and public ways." Infrastructure expenditures are defined as "direct costs related to infrastructure improvements or maintenance, including construction, design, engineering, project management, inspection, contract administration and property acquisition."

The annual Infrastructure Fund Report was approved at the May 24, 2018, meeting of the Citizens Infrastructure Advisory Board by a vote of 5-0-2 (Hudson and Schlosser absent).

Environmental Status:

Not applicable.

Strategic Plan Goal:

Enhance and maintain infrastructure

Attachment(s):

1. Infrastructure Fund Annual Report FY 2016/17