



## Legislation Details (With Text)

<b>File #:</b>	22-430	<b>Version:</b>	1
<b>Type:</b>	Consent Calendar	<b>Status:</b>	Agenda Ready
<b>File created:</b>	5/10/2022	<b>In control:</b>	CIAB/Public Works Commission
<b>On agenda:</b>	5/18/2022	<b>Final action:</b>	
<b>Title:</b>	Approve Infrastructure Fund Annual Report for Fiscal Year 2020/21		
<b>Attachments:</b>	1. Infrastructure Fund Annual Report Attachment 1, 2. Infrastructure Fund Annual Report Attachment 2		

Date	Ver.	Action By	Action	Result
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### CIAB/PUBLIC WORKS COMMISSION REQUEST FOR ACTION

**SUBMITTED TO:** Chairman and Members of the Commission

**SUBMITTED BY:** Sean Crumby, PE, Director of Public Works

**PREPARED BY:** Sarah Whitecotton, Administrative Aide

**Subject:**

Approve Infrastructure Fund Annual Report for Fiscal Year 2020/21

**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 provides audited information on Fiscal Year 2020/21.

**Funding Source:**

Infrastructure Fund No. 314.

**Recommended Action:**

Motion to recommend to City Council approval of the Infrastructure Fund Annual Report.

**Alternative Action(s):**

Direct staff to modify the Annual Report.

**Analysis:**

The Infrastructure Fund was established in 2002, by City Charter Section 617. Per Section 617 (a), the originally intended revenue source for the Infrastructure Fund was a planned utility use tax on natural gas purchased to generate electricity. However, this ballot measure failed. So, while the Charter amendment created the fund, it was left with no source of revenue.

Other Charter requirements related to the fund are:

- Revenue placed in the Infrastructure Fund shall not supplant existing infrastructure funding.
- General Fund expenditures for infrastructure improvements and maintenance, subsequent to 2001, shall not be reduced below 15% of general fund revenues based on a five-year rolling average.
- The City Council shall, by ordinance, establish a Citizens Infrastructure Advisory Board to conduct an annual review and performance audit of the Infrastructure Fund and report its findings to the City Council prior to adoption of the following fiscal-year budget.

The single substantial revenue source to the fund is General Fund excess fund balance per the Financial Policy adopted in Fiscal Year 2006/07. The Policy was revised beginning in Fiscal Year 2009/10 to allow for an Economic Uncertainties Reserve commitment. Excerpts addressing the Infrastructure Fund for the previous and current policies are shown in Attachment 1 along with Municipal Charter Section 617.

#### **Revenue - FY 2020/21:**

1. There were total General Fund transfers of \$9,400,000 for capital improvements and equipment replacement in FY 2020/21
2. The fund was reimbursed \$9,988 for traffic signal maintenance at Beachmont Plaza per a development agreement.
3. Interest and market adjustments are paid in proportion to the citywide investments and fund balance. This amounted to \$46,224 in FY 2020/21.
4. The remaining bond funds totaling \$16,664 from the Senior Center Project were transferred to the Infrastructure Fund.

Total Revenue for FY 2020/21 was \$9,472,876.

<b>Revenue Item</b>	<b>Actual</b>
Reimbursements	\$9,988
Interest and Market Adjustments	\$46,224
General Fund Transfers	\$9,400,000
Bond Transfer	\$16,664
<b>Total Revenue</b>	<b>\$9,472,876</b>

#### **Expenditures - 2020/21:**

Budgeted expenditures for FY 2020/21 consisted of new and carry forward projects and carry over encumbrances from 2019/20. Beginning in Fiscal Year 2020/21 a substantial amount of infrastructure related salaries and maintenance previously budgeted in the General Fund were moved to the Infrastructure fund in business unit 31485201. Where applicable, project sheets from the FY 2020/21 Capital Improvement Program (CIP) are included as Attachment 2. Total expenditures for the year were \$4,565,771. Below is a detail of expenditures by business unit.

<b>Project</b>	<b>Spent</b>
31440001 - Infrastructure Projects	\$807,753
31440002 - Infrastructure Central Park	\$29,720
314400003 - Infrastructure 20-21	\$713,325

31440004 - Navigation Center	\$448,391
31440003 - Main Promenade Parking	\$32,372
31485201 - Infrastructure Engineer Design	\$1,784,052
31487004 - Police Facility Improvements	\$305,261
31490004 - Atlanta Avenue Widening	\$24,353
31490006 - Arterial Rehabilitation 19-20	\$420,000
31490007 - Arterial Rehabilitation 20-21	\$544
<b>Total</b>	<b>\$4,565,771</b>

**Fund Balance**

Fund Balance 7/1/20	\$12,157,318
Revenue FY 2020/21	\$9,472,876
Expenditures FY 2020/21	<u>(\$4,565,771)</u>
Fund Balance 7/1/21	\$17,064,423
Budgeted Revenue FY 2021/22	\$11,500,000
Budgeted Expenditures FY 2021/22	<u>(\$27,953,254)</u>
Budgetary Fund Balance 7/1/22	<b>\$611,169</b>

**Attachment(s):**

1. Excerpts from Financial Policies adopted FY 2006/07 and 2009/10
2. Project Sheets