



Legislation Details (With Text)

File #:	23-410	Version:	1
Type:	Consent Calendar	Status:	Agenda Ready
File created:	5/2/2023	In control:	CIAB/Public Works Commission
On agenda:	5/17/2023	Final action:	
Title:	Approve Infrastructure Fund Annual Report for Fiscal Year 2021/22		
Attachments:	1. Att # 1 Excerpts from Financial Policies adopted FY 2006/07 and 2009/10, 2. Att # 2 Project Sheets, 3. Att # 3 Presentation		

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

SUBMITTED TO: Chairman and Members of the Commission

SUBMITTED BY: Chau Vu, Acting Director of Public Works

PREPARED BY: Sarah Whitecotton, Management Aide

Subject:

Approve Infrastructure Fund Annual Report for Fiscal Year 2021/22

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 2021/22.

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 Citizen's 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 Economic Uncertainties Reserve commitment. Excerpts addressing the Infrastructure Fund for the previous and current policies are shown in Attachment No. 1 along with Municipal Charter Section 617.

Revenue - FY 2021/22

1. There were total General Fund transfers of \$14,050,000 for capital improvements and equipment replacement in FY 2021/22.
2. The fund was reimbursed \$10,728 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 \$31,504 in FY 2021/22.
4. The remaining bond funds totaling \$209,006 from the Senior Center Project were transferred to the Infrastructure Fund.

Revenue Item	Actual
Reimbursements	\$10,728
Interest and Market Adjustments	\$31,504
General Fund Transfers	\$14,050,000
Bond Transfer	\$209,006
Total Revenue	\$14,301,238

Expenditures - FY 2021/22

Budgeted expenditures for FY 2021/22 consisted of new and carry forward projects and carry over encumbrances from 2020/21. 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 2021/22 Capital Improvement Program (CIP) are included as Attachment No. 2. Total expenditures for the year were \$10,881,529. Below is a detail of expenditures by business unit.

Project	Spent
31440001 - Infrastructure Projects	\$1,072,033
31440002 - Infrastructure Central Park	\$67,429
31440003 - Infrastructure 20-21	\$476,305
31440005 - Infrastructure Projects 21-22	\$4,416,337
31445003 - Main Promenade Parking	\$169,314

31485201 - Infrastructure Engineer/Design	\$4,089,577
31488001 - Heil Pump Station	\$43,323
31490004 - Atlanta Widening	\$8,667
31490008 - Arterial Rehabilitation 21-22	\$266,750
31490009 - Rodgers Senior Center Redev	\$265,825
31490010 - Blufftop Park Improv	\$5,970
Total Expenditure	\$10,881,530

Fund Balance

Fund Balance 7/1/2021	\$17,064,423
Revenue FY 2021/22	\$14,301,238
Expenditures FY 2021/22	<u>(\$10,881,530)</u>
Fund Balance 7/1/2022	\$20,484,131
Budgeted Revenue FY 2022/23	\$24,290,000
Budgeted Expenditures FY 2022/23	<u>(\$44,567,322)</u>
Budgetary Fund Balance 7/1/2023	\$206,809

Attachment(s):

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