

AGENDA
Sales Tax Oversight Committee
Monday, March 4, 2019 – 6:00 p.m.
City Council Chambers
746 8th Street, Wasco, California 93280

- 1. CALL TO ORDER
- 2. FLAG SALUTE
- 3. ROLL CALL

4. COMMUNICATIONS FROM THE AUDIENCE:

This portion of the meeting is reserved for persons desiring to address the Sales Tax Oversight Committee, on any matter not on this agenda and over which the Committee has jurisdiction. Speakers are limited to two (2) minutes. Please state your name for the record before making your presentation.

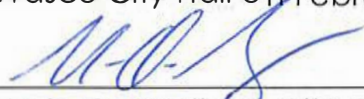
The Committee will receive your comments, but no action will be taken at this meeting. Should your comments require further consideration by the Committee, the item will be agendaized for a report and discussed at a future Sales Tax Oversight Committee meeting.

- 5. Report, RE: One Cent Transaction & Use Tax for the Period July 1, 2018 – December 31, 2018.

6. REPORTS FROM COMMITTEE

7. ADJOURNMENT

This is to certify that this agenda was posted at Wasco City Hall on February 28, 2019



 Maria O. Martinez, City Clerk

*All agenda item supporting documentation is available for public review in the office of the City Clerk of the City of Wasco, 746 8th Street, Wasco, CA 93280 during regular business hours, 7:30 a.m. – 5:00 p.m. Monday through Thursday and 8-5pm Friday (closed alternate Friday's), following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location and available at the meeting. **Please remember to turn off all cell phones, pagers or electronic devices during Committee meetings.***

The Charter Advisory Committee does not discriminate on the basis of disability in the access to, provision of or employment in its programs and activities pursuant to 29 United States Code Section 12132 and California Civil Code Section 54. Information regarding the rights provided under the Americans with Disabilities Act (ADA) may be obtained from the City Clerk's Office.

If you need special assistance to participate in this meeting, please contact the City Clerk's Office at (661) 758-7215 to make reasonable arrangements to ensure accessibility to this meeting. Telephone (661) 758-7215 or via California Relay Service (Hearing Impaired Only). Requests for assistance should be made at least two (2) days in advance whenever possible.

Type of Call	MCI California Relay Service	Sprint California Relay Service
TTY	1-800-735-2929	1-888-877-5378
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Spanish	1-800-855-3000	1-888-877-5381
Speech to Speech	1-800-854-7784	



Measure X Oversight Committee

Summary of Revenues and Expenditures

For the Period July 1 - December 31, 2018

Background:

During the general election of November 2016, the citizens of the City of Wasco approved Measure X, a local one-cent Transaction and Use Tax (i.e. sales tax). As a result of the passage of Measure X, the increase in the sales tax (1%, or one cent) took effect on April 1, 2017.

Measure X is an Enhanced City Services Measure and funds generated by Measure X are considered general purpose revenues to be utilized for essential government services including, but not limited to, public safety, street improvements capital projects and increasing the fiscal stability of the City.

As per the requirements of Measure X, the Measure X Sales Tax Oversight Committee was installed on June 5, 2017. The Sales Tax Oversight Committee (the Committee) is charged with the responsibility to report to the City Council regarding the revenue and expenditures of the Local Sales Tax (also referred to as "Transaction and Use Tax"). The Committee consists of five members, all residents of the City of Wasco, appointed by the City Council.

The terms of the Wasco Sales Tax Oversight Committee members are be for a period of four (4) years. Upon implementation, three of the Committee members shall serve an initial term of four (4) years, and two members shall serve an initial term of two (2) years. Upon completion of the two members serving the first two (2) year term, the subsequent term shall be four (4) years, thereby making each term served by any member a four (4) year term.

The Wasco Sales Tax Oversight Committee is required to meet at least annually. The committee will be subject to the provisions of the Ralph M. Brown Act. Meetings must be noticed and open to the public. Committee minutes and reports are a matter of public record, and may be posted on the City's website. Additional meetings may be scheduled as necessary. All committee members shall attend training and orientation prior to the first regular Wasco Sales Tax Oversight Committee meeting, including Brown Act training and AB1234 Ethics Training.

The Committee's function is strictly that of oversight. It is not within the purview of the Committee to direct staff, recommend any particular contracts, or define the scope of a project. The City Council is the authoritative body responsible for the allocation and appropriation of Measure X funds.

The City's Municipal Code 3.14.150 states: Independent Financial Audit – By no later than December 31 of each year, the City's independent auditors shall complete a Transactions and Use Tax Ordinance Compliance and Internal Control Audit Report. Such report shall review whether the tax revenues collected pursuant to this ordinance are collected, managed and expended in accordance with the requirements of this ordinance.

This report is has been prepared in accordance with the City's Municipal Code. The information summarized in this report was obtained from the State Board of Equalization, the City's Munis accounting system and previous finance staff reports.

Summary of Measure X Revenues and Expenditures:

The Measure X revenues for the period of July 1, 2018 through December 31, 2018 totaled \$865,866. The corresponding expenditures of Measure X during this same time period totaled \$856,494. The Measure X revenues and expenditures are summarized as follows:

**MEASURE X
SUMMARY OF REVENUES AND EXPENDITURES
AS OF DECEMBER 31, 2018**

<u>Fiscal Year</u>	<u>Description</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance</u>
07/01/2018	Beginning Balance			999,911.48
Various	Measure X Receipts (Attachment 1)	865,865.52		1,865,777.00
Various	State Board of Equalization - Administration Fees		2,740.00	1,863,037.00
11/27/2018	Kern County Sheriff - National Gang Conference		2,840.51	1,860,196.49
09/30/2018	Applied Concepts Inc - Stalker Lidar Radars (2)		5,344.25	1,854,852.24
08/27/2018	VSS Emultech - 100 Gallons Tack Oil		962.41	1,853,889.83
07/31/2018	Kern County Clerk - Public Notice		50.00	1,853,839.83
07/31/2018	Vistaprint - Measure X Bumper Sticker		38.68	1,853,801.15
10/11/2018	Central Cal Surveys LLC - 500 N. Palm/Margalo		1,450.00	1,852,351.15
10/31/2018	Palmetto Engineering - Palm /Margalo Street Improvements		15,198.50	1,837,152.65
11/5/2018	Palmetto Engineering - Westside Park Street Improvements		6,567.75	1,830,584.90
11/27/2018	Asbestos Services Inc - 500 N. Palm/Margalo		4,200.00	1,826,384.90
07/31/2018	Advanced Environmental Concepts - Assessment 500 N. Palm		2,500.00	1,823,884.90
08/14/2018	Chicago Title - Purchase Property 500 N. Palm		351,800.00	1,472,084.90
08/22/2018	Chicago Title - Purchase Property 500 N. Palm		(297.97)	1,472,382.87
10/24/2018	Chicago Title - Purchase Property 500 N. Palm		700.00	1,471,682.87
12/31/2018	Public Safety - Police Services		400,000.00	1,071,682.87
12/31/2018	Public Safety - Code Compliance		50,000.00	1,021,682.87
12/31/2018	CNG Fuel Station Operations		12,400.00	1,009,282.87
Pending	Street Improvements - FY 2018/19 Budget Appropriation		200,000.00	809,282.87
Pending 2018/2019	Street Improvements/ADA FY 2018/19 Budget Appropriation		800,000.00	9,282.87
Totals		865,865.52	1,856,494.13	

MEASURE X RECEIPTS				
<u>Fiscal Year</u>	<u>Measure X</u>	<u>Admin Fee</u>	<u>Net Deposit</u>	<u>Description</u>
9/24/2018	169,721.24	-	169,721.24	Jul 2018 Advance
10/24/2018	221,633.64	-	221,633.64	Aug 2018 Advance
11/28/218	324,460.21	2,740.00	321,720.21	3rd Qtr 2018 (321,720.21), Sep 2018 Advance (0)
12/24/2018	<u>150,050.43</u>	-	<u>150,050.43</u>	Oct 2018 Advance (133,400), Prior Qtrs (16,650.43)
2018/2019	865,865.52	2,740.00	863,125.52	

There is an unanticipated surplus of approximately \$999,900 as of June 30, 2018. The City's 2018/2019 budget utilizes approximately \$300,000 of this surplus for public safety services and street improvement projects. Based on the 2018/19 budgeted revenues of 1,472,821, there is a projected surplus of approximately \$616,000 for the current fiscal year and could be significantly higher if actual revenues exceed the budget estimates for FY 2018/19. However, caution is urged as there is no historical basis for future Measure X projections given the current economic climate with regards to interest rate increases, inflation indicators and significant fluctuations in the stock market.

Conclusion:

Staff recommends the Oversight Committee:

1. Confirm the Measure X Revenues and Expenditures were appropriately tracked, reported and monitored.
2. Confirm the Measure X Expenditures were found to be consistent with and in support of the Measure X goals and objectives.
3. Accept and file the Measure X Summary of Revenues and Expenditures Report.

This report has been researched, assembled and presented in a manner the Committee believes is consistent with the stated objectives of the City of Wasco Transaction and Use Tax Ordinance known as Measure X, Ordinance No. 2016-681 dated November 8, 2016.

The Members of the Measure X Oversight Committee:

Carl Joe Hively, Chairperson _____

Michael Dobbs, Vice Chairperson _____

Erica Marin, Member _____

Joe Martinez, Member _____

Mariana G. Sobolewski, Member _____