



AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING
Meeting Date: December 17, 2013

Agenda Item 6D
Approvals:
City Manager [Signature]
Dept. Head WEC
Attorney JAG
Finance [Signature]

Department: Public Works / Engineering OB
Prepared By: Thomas Frank, Transportation Engineering Manager

Subject: *APPROVAL OF CITY OF SAN CLEMENTE FISCAL YEAR 2012-2013 MEASURE M2 EXPENDITURE REPORT.*

Fiscal Impact: None. This action does not require funding, but OCTA could suspend or delay M2 funding to the City if this required expenditure report is not submitted to OCTA by December 31, 2013.

Summary: Staff recommends that the City Council approve Measure M2 Expenditure Report for Fiscal Year 2012-2013.

Discussion: In November 2006, Orange County voters approved a renewal of Measure M, commonly referred to as Measure M2, to extend the half-cent sales tax for local transportation improvements from 2011 to 2041. Measure M2 requires that each jurisdiction adopt and provide to the Orange County Transportation Authority (OCTA) an annual expenditure report to account for M2 funds, developer/traffic impact fees and funds expended by the jurisdiction to satisfy maintenance of effort requirements. The report is required within six months of each jurisdiction's fiscal year end. Approval of the attached resolution and submittal of the attached M2 Expenditure Report by December 31 will ensure that the City is in compliance with the annual expenditure report requirement.

Recommended

Action: STAFF RECOMMENDS THAT the City Council adopt Resolution No. _____ entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, TO ADOPT THE FISCAL YEAR 2012-2013 MEASURE M2 EXPENDITURE REPORT FOR THE CITY OF SAN CLEMENTE."

Attachments: 1. Resolution No. _____.
2. M2 Expenditure Report.

Notification: None.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN CLEMENTE, CALIFORNIA, TO ADOPT THE FISCAL
YEAR 2012-2013 MEASURE M2 EXPENDITURE REPORT
FOR THE CITY OF SAN CLEMENTE

WHEREAS, Orange County Local Transportation Authority Ordinance No. 3 outlines requirements that local agencies must comply with to be eligible for receiving Measure M2 fair share and competitive program funds; and

WHEREAS, Orange County Local Transportation Authority Ordinance No. 3 requires local jurisdictions to adopt an annual Expenditure Report to account for Measure M2 Funds, developer/traffic impact fees, and funds expended by the jurisdiction which satisfy the Maintenance of Effort requirements; and

WHEREAS, the Expenditure Report shall include all Measure M2 net revenue, fund balances, interest earned and expenditures identified by type and program or project; and

WHEREAS, the Expenditure Report must be submitted to the Orange County Transportation Authority annually within six months of the local jurisdiction's fiscal year end.

NOW, THEREFORE, The City Council of the City of San Clemente does hereby resolve as follows:

Section 1. The Expenditure Report is in conformance with the Measure M2 Expenditure Report Template provided in the Renewed Measure M Eligibility Guidelines and accounts for Net Revenues including interest earned, expenditures and balances at the end of each fiscal year.

Section 2. The Measure M2 Expenditure Report for Fiscal Year 2012-2013 is attached hereto as Exhibit "A" and incorporated hereby this reference is adopted by the City of San Clemente.

PASSED AND ADOPTED this _____ day of _____, _____.

ATTEST:

City Clerk of the City of
San Clemente, California

Mayor of the City of
San Clemente, California

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STATE OF CALIFORNIA)
COUNTY OF ORANGE) §
CITY OF SAN CLEMENTE)

I, JOANNE BAADE, City Clerk of the City of San Clemente, California, do hereby certify that Resolution No. _____ was adopted at a regular meeting of the City Council of the City of San Clemente held on the _____ day of _____, _____, by the following vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Clemente, California, this _____ day of _____, _____.

CITY CLERK of the City of
San Clemente, California

Approved as to form:

City Attorney

6D-3

City of San Clemente

M2 Expenditure Report
Fiscal Year Ended June 30, 2013
Beginning and Ending Balances

Description	Line No.	Amount
Balances at Beginning of Fiscal Year		
M2 Fairshare	1	\$ 185,724
M2 Fairshare Interest	2	\$ -
M2 CTFP	3	
M2 CTFP Interest	4	
Other M2 Funding - Senior Mobility	5	\$ -
Other M2 Interest - Senior Mobility	6	\$ -
Other*	7	
Balances at Beginning of Fiscal Year (Sum Lines 1 to 7)	8	\$ 185,724
Monies Made Available During Fiscal Year	9	\$ 847,205
Total Monies Available (Sum Lines 8 & 9)	10	\$ 1,032,930
Expenditures During Fiscal Year	11	\$ 536,601
Balances at End of Fiscal Year		
M2 Fairshare	12	\$ 493,169
M2 Fairshare Interest	13	\$ 3,159
M2 CTFP	14	
M2 CTFP Interest	15	
Other M2 Funding - Senior Mobility	16	\$ -
Other M2 Interest - Senior Mobility	17	\$ -
Other*	18	

* Please provide a specific description

CTFP - Combined Transportation Funding Program

**M2 Expenditure Report
Fiscal Year Ended June 30, 2013
Beginning and Ending Balances**

Description	Line No.	Amount
Balances at Beginning of Fiscal Year		
M2 Fairshare	1	\$ 185,724
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Other*	18	

* Please provide a specific description

CTFP - Combined Transportation Funding Program

(21)-5

M2 Expenditure Report
Fiscal Year Ended June 30, 2013
Sources and Uses

Description	Line No.	Amount
Revenues:		
M2 Fairshare	1	\$ 783,459
M2 Fairshare Interest	2	\$ 3,159
M2 CTFP	3	
M2 CTFP Interest	4	
Other M2 Funding - Senior Mobility	5	\$ 60,451
Other M2 Interest - Senior Mobility	6	\$ 136
Other*	7	
TOTAL REVENUES (Sum lines 1 to 7)	8	\$ 847,205
Expenditures:		
M2 Fairshare	9	\$ 476,014
M2 Fairshare Interest	10	
M2 CTFP	11	
M2 CTFP Interest	12	
Other M2 Funding	13	\$ 60,451
Other M2 Interest	14	\$ 136
Other*	15	
TOTAL EXPENDITURES (Sum lines 9 to 15)	16	\$ 536,601
TOTAL BALANCE (Subtract line 16 from 8)	17	\$ 310,604

* Please provide a specific description

M2 Expenditure Report
Fiscal Year Ended June 30, 2013
Streets and Roads Detailed Use of Funds

Type of Expenditure	Line No.	*MOE	+ Developer / Impact Fees	M2 Fairshare	M2 Fairshare Interest	M2 CTFP	M2 CTFP Interest	Other M2	Other M2 Interest	Other	TOTAL
Administration (Indirect & Overhead)	1	\$ 949,890									\$ 949,890
Construction & Right-of-Way	2										
New Street Construction	3	\$ 625,261		\$ 476,014							\$ 1,101,275
Street Reconstruction	4										
Signals, Safety Devices, & Street Lights	5										
Pedestrian Ways & Bikepaths	6										
Storm Drains	7										
Storm Damage	8	625,261		476,014							\$ 1,101,275
Total Construction ¹	9										
Right of Way Acquisition	10	625,261		476,014							\$ 1,101,275
Total Construction & Right-of-Way Maintenance	11	\$ 523,631									\$ 523,631
Patching	12	\$ 1,010,281									\$ 1,010,281
Overlay & Sealing	13	\$ 1,346,086									\$ 1,346,086
Street Lights & Traffic Signals	14										
Storm Damage	15										
Other Street Purpose Maintenance	16	2,879,999									\$ 2,879,999
Total Maintenance ¹	17							60,451	136		\$ 60,587
Other - Senior Mobility	18	\$ 4,455,150		\$ 476,014				\$ 60,451	\$ 136		\$ 4,991,751
GRAND TOTALS (Sum Lines 1, 10, 16, 17)											

* Local funds used to satisfy maintenance of effort (MOE) requirements

+ Transportation related only

¹ Includes direct charges for staff time

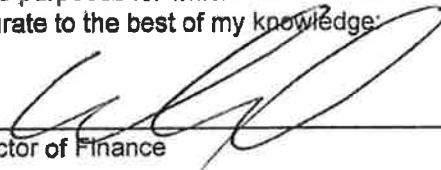
62-17

**M2 Expenditure Report
Fiscal Year Ended June 30, 2013
Fairshare Project List**

PROJECT NAME	AMOUNT EXPENDED
Calle Amanecer - Phase II	334
Calle Valle Rehabilitation	12,207
Camino De Los Mares Rehab	40,865
Calle De Los Molinos	12,496
Ave Pico Traffic Signal Synchronization	121,613
El Camino Real Traffic Signal Sync	141,044
Arriba Linda & Cerrito Cielo Rehab	60,000
Avenida Vaquero Rehab	4,857
Camino De Los Mares Frontage Rd	11,641
La Ventana Rehab	37,500
Via Breve Rehab	27,500
Via Pico Plaza Rehab	5,957
	476,014

**M2 Expenditure Report
Fiscal Year Ended June 30, 2013**

I certify that the interest earned on Net Revenues allocated pursuant to the Ordinance shall be expended only for those purposes for which the Net Revenues were allocated and all the information attached herein is true and accurate to the best of my knowledge:



Director of Finance



Maintenance of Effort Benchmark Adjustment Certification Form

The Renewed Measure M Ordinance requires an adjustment to the Maintenance of Effort (MOE) benchmark every three years. The growth in actual general fund revenues and the percent change in Caltrans Construction Cost Index (CCI) will be compared to determine the appropriate Maintenance of Effort benchmark adjustment. The first MOE benchmark adjustment will be accounted for in the June 30, 2014 Measure M2 Eligibility submittal.

Please provide the actual general fund revenues for FY 2010-11 & FY 2012-13 and attach supporting excerpts from the agency's Comprehensive Annual Finance Reports (CAFRs). This certification form must be signed by the Finance Director and submitted no later than **December 31, 2013**.

Jurisdiction: City of San Clemente


Fiscal Year	(A) Total Actual General Fund Revenues As Reported	(B) One-Time Revenues	(C) Net MOE (A - B)
FY 2010-11	\$58,099,155	\$9,883,277	\$48,215,878
FY 2012-13	\$52,757,147	\$2,780,743	\$49,976,404

Comments/Explanations:

I certify that all the information attached herein is true and accurate to the best of my knowledge:



Director of Finance (Print Name)



Signature



Date

Thank you for your participation in the Maintenance of Effort benchmark adjustment process.

CITY OF SAN CLEMENTE
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Taxes	\$ 34,024,100	\$ 34,064,100	\$ 34,999,167	\$ 935,067
Licenses and permits	1,748,230	1,763,230	1,903,617	140,387
Fines and forfeits	1,053,900	954,900	931,685	(23,215)
Investment and rentals	1,894,210	1,962,210	1,925,663	(36,547)
Intergovernmental	960,000	1,129,000	1,050,037	(78,963)
Charges for services	6,951,330	6,999,230	6,892,010	(107,220)
Other	113,000	108,000	113,160	5,160
Total Revenues	<u>46,744,770</u>	<u>46,980,670</u>	<u>47,815,339</u>	<u>834,669</u>
Expenditures:				
Current:				
General government:				
Administration				
City council	95,085	101,485	67,013	34,472
City manager	693,764	728,829	701,682	27,147
City clerk	728,835	918,605	840,880	77,725
Finance and administrative services	2,877,267	2,898,206	2,829,086	69,120
City general	3,481,090	3,111,332	2,386,082	725,250
Police	12,342,920	12,271,920	11,910,597	361,323
Fire	7,080,660	7,080,660	6,913,198	167,462
Public works	6,979,500	7,069,930	6,428,634	641,296
Community development	4,309,358	4,365,930	3,873,560	492,370
Beaches, parks and recreation	9,101,330	9,159,670	8,355,024	804,646
Capital outlay	2,534,260	2,594,520	1,150,611	1,443,909
Total Expenditures	<u>50,224,069</u>	<u>50,301,087</u>	<u>45,456,367</u>	<u>4,844,720</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,479,299)</u>	<u>(3,320,417)</u>	<u>2,358,972</u>	<u>5,679,389</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	-	23,328	23,328
Transfers in	10,789,150	10,789,150	10,260,488	(528,662)
Transfers out	(1,196,030)	(2,406,260)	(2,401,260)	5,000
Total Other Financing Sources (Uses)	<u>9,593,120</u>	<u>8,382,890</u>	<u>7,882,556</u>	<u>(500,334)</u>
Special item - pension side fund payment	<u>(4,600,000)</u>	<u>(4,754,163)</u>	<u>(4,754,163)</u>	<u>-</u>
Net Change in Fund Balance	1,513,821	308,310	5,487,365	5,179,055
Fund Balance, Beginning of Year	<u>23,485,892</u>	<u>23,485,892</u>	<u>23,485,892</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 24,999,713</u>	<u>\$ 23,794,202</u>	<u>\$ 28,973,257</u>	<u>\$ 5,179,055</u>

EO = 58,099,155

CITY OF SAN CLEMENTE
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Taxes	\$ 37,001,970	\$ 37,091,970	\$ 40,009,414	\$ 2,917,444
Licenses and permits	976,610	994,610	1,042,511	47,901
Fines and forfeits	939,000	939,000	776,634	(162,366)
Investment and rentals	1,993,910	1,924,410	1,796,484	(127,926)
Intergovernmental	392,640	616,050	574,369	(41,681)
Charges for services	7,418,270	7,364,860	7,777,313	412,453
Other	51,620	60,920	54,366	(6,554)
Total Revenues	48,774,020	48,991,820	52,031,091 ⁽²⁾	3,039,271
Expenditures:				
General government:			<i>ELD = 52,757,147</i>	
Administration				
City council	81,280	81,920	60,243	21,677
City manager	721,940	733,910	696,426	37,484
City clerk	840,310	871,610	674,991	196,619
Finance and administrative services	3,034,670	3,068,350	2,847,053	221,297
City general	2,960,320	2,911,120	2,386,673	524,447
Police	12,544,280	12,568,280	11,973,969	594,311
Fire	7,457,370	7,457,370	7,478,736	(21,366)
Public works	7,222,550	7,584,120	6,839,807	744,313
Community development	4,601,660	4,832,030	4,236,079	595,951
Beaches, parks and recreation	11,207,100	11,116,614	10,291,910	824,704
Capital outlay	5,621,980	6,090,330	996,200	5,094,130
Total Expenditures	56,293,460	57,315,654	48,482,087	8,833,567
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,519,440)	(8,323,834)	3,549,004	11,872,838
Other Financing Sources (Uses):				
Transfers in	729,230	809,170	726,056 ⁽²⁾	(83,114)
Transfers out	(1,456,470)	(2,489,120)	(2,489,120)	-
Total Other Financing Sources (Uses)	(727,240)	(1,679,950)	(1,763,064)	(83,114)
Extraordinary item - RDA dissolution	-	-	(137,270)	(137,270)
Net Change in Fund Balance	(8,246,680)	(10,003,784)	1,648,670	11,652,454
Fund Balance, Beginning of Year	28,457,199	28,457,199	28,457,199	-
Fund Balance, End of Year	\$ 20,210,519	\$ 18,453,415	\$ 30,105,869	\$ 11,652,454

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**City of San Clemente
Trend Worksheet - Indicator 1
Revenues per Capita
(Excluding One-Time Revenues)**

Line	Description	Source	2008-09	2009-10	2010-11	2011-12	2012-13
1	Net Operating Revenues (excluding one time revenue)	LTFP Appendix Rev Wksht #2, Line 14	48,479,611	44,910,189	48,215,877	47,850,682	52,295,626
2	Consumer Price Index (CPI) for the municipality's area	Bureau of Labor Statistics	100	100.88	103.76	105.41	106.84
3	CPI in decimal	Line 2 divided by 100	1.00	1.01	1.04	1.05	1.07
4	Net operating revenues (constant dollars)	Line 1 divided by line 3	48,479,611	44,518,427	46,468,656	45,394,822	48,947,610
5	Population	LTFP Appendix Eco/Demo Wksht line 19	68,316	68,763	63,522	64,208	65,542
			2008-09	2009-10	2010-11	2011-12	2012-13
6	Net operating revenue per capita (constant dollars)	Line 4 divided by line 5	710	647	732	707	747
7	Actual dollars	Line 1 divided by line 5	710	653	759	745	798
One time revenue:							
	33116	26,994 Emergency Mgmt Perform. Grant					
	33420	27,078 SB90 Claims					
	33440	169,384 SONGS Grant					
	33490	6,477 Other State Grants					
	33180	157,165 Other Federal Grants					
	36820	(156) Over/Short					
	36850	443 Misc Income					
	36851	203 Sidewalk Repair Reimb.					
	36855	35,609 Misc Reimbursements					
	36857	18,267 Forster Ranch Comm. Pk Maint Reimb					
	39110	- Sale of Property					
	39201	1,158 Beach Trail Refund					
	39203	18,850 CDBG Trsf for sidewalks					
	39290	- Workers' Comp Refund					
		461,471					

2,919,212 Prop 1A 100%
 2,780,743 Total

City of San Clemente							
Trend Worksheet - Indicator 1							
Revenues per Capita							
(Excluding One-Time Revenues)							
Line	Description	Source	2006-07	2007-08	2008-09	2009-10	2010-11
1	Net Operating Revenues (excluding one time revenue)	LTFP Appendix Rev Wksht #2, Line 14	49,583,749	48,905,926	48,479,611	44,910,189	48,215,877
2	Consumer Price Index (CPI) for the municipality's area	Bureau of Labor Statistics	100	105.41	103.05	103.96	106.93
3	CPI in decimal	Line 2 divided by 100	1.00	1.05	1.03	1.04	1.07
4	Net operating revenues (constant dollars)	Line 1 divided by line 3	49,583,749	46,395,907	47,044,746	43,199,489	45,091,066
5	Population	LTFP Appendix Eco/Demo Wksht line 19	67,373	67,892	68,316	68,763	63,522
			2006-07	2007-08	2008-09	2009-10	2010-11
6	Net operating revenue per capita (constant dollars)	Line 4 divided by line 5	736	683	689	628	710
7	Actual dollars	Line 1 divided by line 5	736	720	710	653	759
	One time revenue:						
	33116	7,744 Emergency Mgmt Perform. Grant					
	33420	28,294 SB90 Claims					
	33440	177,610 SONGS Grant					
	33180	362,685 Other Federal Grants					
	36820	(157) Cash over/Short					
	36850	4,311 Misc					
	36851	(2,686) Sidewalk reimb.					
	36855	91,110 Misc Reimb.					
	36857	20,582 Forest Ranch Comm. Pk Maint. Reimb					
	39110	23,328 Sale of Property					
	39203	20,457 CDBG Trsf for sidewalks					
	39225	9,150,000 Trsf from Parks Acq. Fund for sale of land to target - for LPVH park					
		9,883,277					

$736/628 = 1.17$
 $106/653 = 1.6$

6D-104