



CITY OF SAN MATEO

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Administrative Report

Agenda Number: 12., Status: Passed

File ID: 2019-017

TO: City Council

FROM: Drew Corbett, City Manager

PREPARED BY: Finance Department

MEETING DATE: Monday, January 07, 2019

SUBJECT:
2017-2018 Measure S Agreed-Upon Procedures Report

RECOMMENDATION

Accept and file the 2017-2018 Measure S Agreed-Upon Procedures Report.

BACKGROUND

In 2015, San Mateo voters approved Measure S, extending a 0.25% local sales tax through March 31, 2048. Section 3.50.160 of the Municipal Code contains the fiscal accountability provisions that were put in place when voters approved Measure S in 2015. These provisions include the following requirements:

- The City's annual financial audit shall include a review of the amount of revenue generated by Measure S and how the revenue was used
- There shall be a 5-person committee to review and report on the receipt of revenues and expenditure of Measure S funds.

To facilitate this review, staff worked with its current independent auditor to develop an "Agreed-Upon Procedures" process applied to the schedule of Measure S revenues and expenditures. Because Measure S revenues are considered general tax revenues, their receipt and expenditure are subject to the City's external audit that is applied to other general revenues and expenditures (General Fund). This audit report was approved by the Audit Committee on November 14, 2018 and by the City Council on November 19, 2018.

The Agreed-Upon Procedures include confirming Measure S revenues reported against quarterly statements from the California Department of Tax and Fee Administration and testing expenditures charged against Measure S revenues to verify expenditures were for allowable purposes. The Agreed-Upon Procedures Report confirmed Measure S funds were received and expended for allowable purposes and in accordance with the budget.

The Measure S Oversight Committee reviewed the Agreed-Upon Procedures report at its December 17, 2018 meeting and recommends that Council accept and file the 2017-18 Measure S Agreed-Upon Procedures Report.

BUDGET IMPACT

The recommended action has no budget impact.

ENVIRONMENTAL DETERMINATION

In accordance with CEQA Guidelines section 15378(b)(5), approval of this report is an administrative action

that will not result in a physical change in the environment and therefore not a project subject to CEQA.

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - 2017-2018 Measure S Agreed-Upon Procedures Report

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