CALL TO ORDER

PUBLIC APPEARANCE
PUBLIC APPEARANCE items are reports on non-routine issues that might stimulate public discussion, but that do not require formal noticing as public hearings. You are welcome to offer your comments after being recognized by the Chair. The Measure P Oversight Committee may limit the time each speaker is allocated.

1. Annual Report
2. Draft Audit Report

PUBLIC COMMENTS
PUBLIC COMMENTS allows you, the public, to speak for a maximum of three minutes on any subject which is within the jurisdiction of the Measure P Oversight Committee and which is not on the agenda. Any person or group desiring to bring an item to the attention of the Measure P Oversight Committee may do so by addressing the Measure P Oversight Committee during Public Comments or by addressing a letter of explanation to: Finance Director, 735 Pacific Street, Suite A, Monterey, CA 93940. The appropriate staff person will contact the sender.

BOARD MEMBER COMMENTS
Board members may ask a question for clarification, make a brief announcement or make a brief report on his or her activities. In addition, the Measure P Oversight Committee may provide a referral to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any City matter, or direct staff to place a request to agendize a matter of business on a future agenda (G.C. 54954.2).

ADJOURNMENT
The Measure P Oversight Committee meeting packet may be reviewed by the public in the Library or the Finance Department. Any writings or documents pertaining to an open session item provided to a majority of the Measure P Oversight Committee less than 72 hours prior to the meeting, shall be made available for public inspection at the front counter of the Finance Department, at 735 Pacific Street, Suite A, Monterey, California 93940 during normal business hours.

Information distributed to the Measure P oversight Committee at the meeting becomes part of the public record. A copy of written material, pictures, etc. should be provided for this purpose.

CITY OF MONTEREY’S 24-HOUR SUGGESTION HOTLINES:
Voicemail: (831) 646-3799
FAX: (831) 646-3793
Email: suggest@monterey.org
WebPage: http://www.monterey.org

The City of Monterey is committed to including the disabled in all of its services, programs and activities. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk’s Office at (831) 646-3935. Notification 30 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting [28 CFR 35.102-35.104 ADA Title II]. Later requests will be accommodated to the extent feasible. For communication-related assistance, dial 711 to use the California Relay Service (CRS) to speak to City offices. CRS offers free text-to-speech, speech-to-speech, and Spanish-language services 24 hours a day, 7 days a week. If you require a hearing amplification device to attend a meeting, dial 711 to use CRS to talk to the City Clerk’s Office at (831) 646-3935 to coordinate use of a device.
TO: City Council

FROM: Measure P Oversight Committee

COPY: Steve Wittry, Interim Public Works Director

DATE: December 21, 2017

SUBJECT: Financial Report for the Period of 7/1/16 through 6/30/17

The Measure P Oversight Committee has reviewed projects and expenditures for the entire Fiscal Year 2016/2017, dated 7/1/2016 to 6/30/2017. The Committee has met regularly with Monterey City staff, with Interim Public Works Director Steve Wittry being the City’s main contact.

During discussions as the Measure language was being developed, City staff predicted that it would require 10 years of the additional tax revenue to raise the City streets’ average PCI rating from the original 54 to a very acceptable 75. Voters approved a 4 year tax increase, with a target PCI of 67, allowing an opportunity to ensure sufficient progress was being made before voting again on an extension of the measure. As of June 30, 2017, the average street PCI has improved from 54 to 60.

The 1% special transactions and use tax approved by voters with the passage of Measure P went into effect in April, 2015. To account for this funding (both revenues and expenditures), the City established a separate fund titled the Street Infrastructure Rehabilitation Fund. Any unspent tax proceeds remain in the fund and can only be used for items identified in the Measure P spending plan. Including interest, the total tax collected through June 30, 2017 was $20,258,914. Total expenditures on Measure P projects through June 30, 2017 totaled $12,761,051, leaving a balance in the fund on June 30, 2017 of $7,497,862.

Measure P was initially projected to result in $8 million in additional revenue annually. Actual revenue received in the second year was 19% higher than anticipated. These additional funds will be programmed into the Measure P spending plan for use within the existing authorized improvements.

<table>
<thead>
<tr>
<th>FY14/15</th>
<th>FY15/16</th>
<th>FY16/17</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>-</td>
<td>$873,232</td>
<td>$6,765,769</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Revenue</td>
<td>1,609,936</td>
<td>9,027,743</td>
<td>9,511,458</td>
</tr>
<tr>
<td>Interest</td>
<td>659</td>
<td>43,755</td>
<td>65,363</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>1,610,595</td>
<td>9,071,498</td>
<td>9,576,821</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Storm Drains</td>
<td>16,886</td>
<td>412,590</td>
<td>594,159</td>
</tr>
<tr>
<td>Sidewalks</td>
<td>81,992</td>
<td>512,123</td>
<td>877,289</td>
</tr>
<tr>
<td>Pavement</td>
<td>551,749</td>
<td>1,568,216</td>
<td>6,366,524</td>
</tr>
<tr>
<td>ADA</td>
<td>86,736</td>
<td>686,032</td>
<td>1,006,756</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>737,363</td>
<td>3,178,960</td>
<td>8,844,728</td>
</tr>
<tr>
<td><strong>Ending Balance</strong></td>
<td>$873,232</td>
<td>6,765,769</td>
<td>7,497,862</td>
</tr>
</tbody>
</table>
An audit of the City’s financial statements, which includes the Street Infrastructure Rehabilitation Fund, was completed and an independent auditors’ report issued by the Pun Group, LLC was received on December 31, 2017. The audit report is available in the Comprehensive Annual Financial Report, available on the City’s website (http://www.monterey.org/City-Hall/Budget-and-Finance/Annual-Financial-Reports).

The Committee has determined that to date, the City of Monterey has managed Measure P projects and funds in compliance with the Measure as approved by the voters.

The City’s strategy has been to start with quicker, less-expensive projects first, such as slurry seals, and progressively move to more time-consuming and expensive projects, such as complete pavement replacements. In the planning process, the City has partnered with the Cannery Row Company, NIP and a host of other contractors such as PG&E, AT&T, Cal Am, etc., to ensure there would be no duplication of work, or work that would need to be redone, thus maximizing the Measure P dollars being spent.

City staff has provided the following to the Oversight Committee as requested:

- Documentation of project budgets and expenditures
- Technical assistance and explanations, as needed
- Updates on both current and future projects

Information regarding the status of Measure P projects is available on-line at http://monterey.org/City-Hall/Featured-Projects/Fixing-Streets.

The Measure P Oversight Committee has complied with the Brown Act. All meeting times, locations and agendas have been properly noticed, and meeting minutes are available at http://monterey.org/City-Hall/Boards-Commissions-and-Committees/Measure-P-Oversight-Committee.