



Legislation Details (With Text)

File #: 14-0676 **Version:** 1 **Name:** CAUD - Prop H Summary 2007-2013
Type: Agenda Item **Status:** Approved
File created: 8/25/2014 **In control:** City Council
On agenda: 9/2/2014 **Final action:** 9/2/2014
Title: Recommendation to receive and file the Summary Report on Proposition H (FY's 2007 - 2013).
Sponsors: City Auditor
Indexes: Report
Code sections:
Attachments: 1. 090214-R-13sr&att.pdf, 2. 090214-R-13 PPT Presentation.pdf

| Date | Ver. | Action By | Action | Result |
|----------|------|--------------|------------------------|--------|
| 9/2/2014 | 1 | City Council | approve recommendation | Pass |

Recommendation to receive and file the Summary Report on Proposition H (FY's 2007 - 2013).

The citizens of Long Beach approved Proposition H, the Police and Fire Public Safety Oil Production Tax, on May 1, 2007. Prop H amended the City's Municipal Code to assess an additional 25 cents per barrel special tax on oil producers operating in Long Beach. Effective on June 1, 2007, this special tax is in addition to the existing tax of 15 cents per barrel produced. Prop H funds can only be used for police officers, firefighters, and related costs, including but not limited to equipment, facilities, and training, in order to ensure timely responses for public safety needs.

As of September 30, 2013, oil operators in Long Beach reported a total of 82,330,175 barrels of oil produced. Based on this cumulative oil production, the City collected a total of \$22,048,174 of Prop H oil tax revenue, including penalties and interest.

Prop H revenues have been primarily used to fund police officer and firefighter staff positions. Each year, Prop H has been able to support on average 12 police officers and 11 firefighters. Over the years, the remaining Prop H funds were used for non-personnel related expenses, including fleet services charges, fire truck acquisition and retrofit, technology, safety equipment, uniforms, and other supplies and materials.

The City Auditor is mandated by the Municipal Code to prepare an independent annual financial audit of Prop H revenues and expenditures for each fiscal year. The annual financial audit contains information regarding the amount of special tax revenue collected and expended on purposes defined in the code, the status of any projects and programs funded by the tax revenue, and the amount of unspent monies on deposit that were carried over into the current fiscal year.

This informational report summarizes the cumulative benefit of Proposition H funds since 2007.

Action by the City Council is not time sensitive.

Approving this action would have no fiscal impact.

Approve recommendation.

LAURA L. DOUD, CPA
CITY AUDITOR