



Legislation Details (With Text)

File #:	18-0145	Version:	1	Name:	CAud-Prop H Audit Report
Type:	Agenda Item	Status:		Status:	Approved
File created:	2/12/2018	In control:		In control:	City Council
On agenda:	2/20/2018	Final action:		Final action:	2/20/2018
Title:	Recommendation to receive and file the Proposition H Audit Report for the fiscal year ending September 30, 2017.				
Sponsors:	City Auditor				
Indexes:	Report				
Code sections:					
Attachments:	1. 022018-C-3sr&att.pdf				

Date	Ver.	Action By	Action	Result
2/20/2018	1	City Council	approve recommendation	Pass

Recommendation to receive and file the Proposition H Audit Report for the fiscal year ending September 30, 2017.

Pursuant to Long Beach Municipal Code Section 3.80.227, the Office of the City Auditor is charged with conducting an annual independent financial audit of Proposition H (Prop H) funds and providing a written report to the City Council.

The City Auditor conducts annual audits of Prop H funds to identify the following: the amount of special tax revenues collected during the fiscal year (FY), the amount of special tax revenue expended on eligible costs during the fiscal year, the amount of unspent monies that were carried over into the current fiscal year, and the status of any projects and programs funded by the special tax revenues.

We determined the following as a result of our audit:

- 1) During FY 2017, the City received \$3,397,985 of Prop H revenues, a decrease of \$291,850 or 8% from the prior year;
- 2) Prop H expenditures during FY 2017 totaled \$4,172,393. Expenditures were \$645,073 or 18% more compared to the prior year, and were made for eligible costs as defined in the Municipal Code;
- 3) During FY 2017, the amount of unspent monies carried over decreased 55% from the prior fiscal year to \$626,886, which exceeds the top of the reserve policy range of \$400,000 for the fund. However, the projected carryover by the end of FY 2018 is

expected to drop by 84% to (\$102,312), bringing it below the minimum of the reserve policy.

- 4) In FY 2018, the Fire Department intends to use their Prop H resources to continue funding public safety positions and Fire Academy costs. The Police Department will use funds to contribute to renovations of their pistol range and upgrades to their Telecommunication System.

Detailed information regarding these results is included in the attached report.

In conclusion, we express our appreciation to employees of the Police Department, Fire Department, and the Department of Financial Management for providing their time, information, and cooperation during the audit process.

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