

ICOC FY 2018-2019 Plan Draft V2 12-04-19 Change Summary

ICOC FY 2018-2019 Plan Draft V1 Existing

8. Review and Analysis of FY2018-2019 Measure B Revenue Data

Measure B requires oversight of the measure's revenue. However, the Measure B did not establish a method or system for tracking and reporting the measure's budgeted allocations, actual allocations, and the result of the expenditure.

The Measure B Local Sales Tax revenue is sourced to the General Fund. Separate expense appropriations designated specifically for the measure were not uniformly used and it is not possible for the City, or a financial auditor, to specifically associate applicable General Fund expenditures to the measure. Additionally, there is no comparable San Jose' City Manager's Budget Addendum (MBA) #14 for FY 2017-2018 Measure B revenue expenditures. MBA 14 was the Measure B FY2016-2017 Provisional Budget and Ongoing Spending Priorities Plan.

As a result, for the FY2018-2019 revenue oversight, the ICOC will rely on audited financial statements and other certifications provided by the San Jose' City Manager's Budget Office for 2018-2019 Measure B Local Sales Tax data for budgeted allocations, actual allocations, and the result of the expenditure.

The San Jose' City Manager's Budget Office will provide the ICOC with a FY2018-2019 Measure B Local Sales Tax Reconciliation memo. The memo will provide details of the Measure B revenue allocations with respect to the FY2018-2019 Operating Budget document and the City's FY2018-2019 Comprehensive Annual Financial Report data audited by the City's independent financial auditor. The memo will also indicate if any Measure B proceeds allocated to the various departments and programs were used to offset reductions elsewhere within their respective budgets.

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The Measure B Local Sales Tax revenue is sourced to the General Fund. **For FY2018-2019, the City Council approved Manager's Budget Addendum (MBA) #28, Local Sales Tax Budget Adjustments, dated June 1, 2018. The MBA allocated specific uses for Measure B sales tax and identified specific expenditure appropriations that allow for straightforward tracking of expenses.**

MBA #28 will be used a basis for review of FY2018-2019 sales tax revenue data. Additionally, the review and analysis will include audited financial statements, and other certifications provided by the San Jose' City Manager's Budget Office for budgeted allocations, actual allocations, and the result of the expenditure for the sales tax revenue.

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