MEETING DATE: 09/22/14

AGENDA ITEM: **Receive and File a Measure Y Status Report from the Finance Advisory Committee**

ATTACHMENTS

FROM: The Finance Advisory Committee (FAC)

TO: City Council

DATE: September 10, 2014

CITY OF CULVER CITY

Measure-Y Sales Tax

Status Report II:

April 1, 2013 – June 30, 2014

The purpose of this report is to provide the Council and residents with a status update on Measure-Y revenue activity that occurred in the City. This report captures the first full fiscal year of Measure-Y revenues, with all revenues accounted for the 2013-14 fiscal year.

MEASURE-Y IN BRIEF

Measure-Y is a voter-approved one-half percent transaction and use tax adopted to maintain City of Culver City critical services. With the exception of certain goods sold to operators of common carrier aircraft, the transactions and use tax is imposed on the same goods and merchandise as the local sales and use tax. The 10-year measure received overwhelming voter approval in November 2012 and went into effect April 2013 to provide necessary resources to resolve the City's structural deficit issues and continue services at existing levels. Measure-Y contains a sunset provision, which will result in the expiration of the measure on March 31, 2023 if not reauthorized by voters.

FISCAL YEAR 2013-14 MEASURE-Y REVENUES

Fiscal Year 2013-14 revenues for Measure-Y were budgeted at $7.8 million or 8.5% of total operating revenues. Approximately $8.2 million was received in FY2013-14. Cumulatively, a total of $9.4 million in revenues has been raised since the measure's implementation.

Measure-Y funds are budgeted as part of the annual budget approval process by the City Council. Funds received are deposited into the City's General Fund and allocated to sustain general municipal functions.