



# MONROVIA MEASURE K CITIZEN ADVISORY COMMITTEE AGENDA REPORT



**DEPARTMENT:** City Manager's Office

**MEETING DATE:** April 11, 2023

**PREPARED BY:** Dylan Feik, City Manager

**AGENDA LOCATION:** AR-1

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**TITLE:** Measure K Financial Policy

**BACKGROUND:** On February 7<sup>th</sup>, 2023, the City Council reviewed and adopted the Measure K Financial Policy. The Council did make a change to the Preamble and added Policy VII to ensure the Council would review its spending plan at least twice annually.

The Adopted policy is attached.

**ENVIRONMENTAL IMPACT:** There is no environmental impact associated with this item.

**FISCAL IMPACT:** There is no fiscal impact associated with this item.

**RECOMMENDATION:** Information only.

**COMMITTEE ACTION REQUIRED:** None.

**AR-1**

# Measure K Financial Policy

Adopted by City Council  
February 7, 2023

*This financial policy provides direction to City Staff to consider when developing a proposed Annual Spending Plan for Measure K funds that shall be regularly presented to the Measure K Citizens Advisory Committee for review and comment. There is no particular hierarchy to these six policies as presented, rather, any or all of these guiding policies may be considered when evaluating spending proposals for Measure K Funds.*

## **POLICY I**

### **PRIORITIZE BASIC NEEDS OVER NEW PROJECTS**

The City shall prioritize maintaining the city's basic needs, including maintaining existing infrastructure and operations, before committing funding towards new projects with new ongoing costs.

## **POLICY II**

### **COMPLETE ONE-TIME PROJECTS**

The City Council, City partners and Monrovia community have many ideas and interests in one-time projects that cannot move forward due to the lack of available, flexible funding. Funding would be made available for one-time projects that remain unfunded and provide a public benefit.

## **POLICY III**

### **WHEN POSSIBLE, LEVERAGE MEASURE K FUNDS TO SEEK OTHER FUNDING SOURCES**

In some instances, the City is limited in its ability to seek additional sources of funding due to a lack of available funding in the current budget to provide a local funding match. When applicable, staff will apply for grants and other resources that require a funding match, essentially doubling the funding available for a project or program to make every dollar go further.

**POLICY IV**

**USE MEASURE K TO BUILD RESERVES**

Creditworthiness demonstrates a city's financial health and the many factors that make up a city's risk evaluation is dependent on debt structure, financial condition and management practices of the City Council and administration. By reducing debt and increasing fund balances and reserves, it puts the City's financial health in a positive position to borrow at lower interest rates and reduces the City's financial risks.

**POLICY V**

**FUND ONGOING CAPITAL IMPROVEMENT PROJECTS**

Capital improvement projects provide a working blueprint for sustaining and improving the city's infrastructures, including streets, parks, storm drains, and public facilities. A community's economic vitality and quality of life is enhanced through CIP projects, which require major investment and continued financial commitment for maintenance and eventual replacement.

**POLICY VI**

**SEEK PROJECTS THAT HAVE A "PAYBACK" OR "RETURN ON INVESTMENT"**

In some situations, an upfront investment has the opportunity to create long-term savings that reduces ongoing costs and return on the investment. These types of projects have the potential to provide a community benefit that pays for itself and more over time.

**POLICY VII**

**CITY COUNCIL SHALL REVIEW ITS MEASURE K SPENDING PLAN AT LEAST TWICE ANNUALLY**