

City of San Mateo Measure S Fund

San Mateo, California

Independent Accountant's Report on Agreed-Upon Procedures Applied to Schedule of Measure S Revenues and Expenditures

For the Year Ended June 30, 2023



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor and Members of the City Council
of the City of San Mateo
San Mateo, California

We have performed the procedures enumerated below on the accompanying Schedule of Measure S Revenues and Expenditures (the “schedule”) of the City of San Mateo, California (the “City”) for the year ended June 30, 2023. The City is responsible for the schedule.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements of City Ordinance 2015-11, Amending Chapter 3.50 of the City’s Municipal Code, “Transactions and Use Tax” To Extend the One-Quarter Cent Transactions and Use Tax Term for Thirty Years”. The City has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. Obtained and reviewed City Ordinance 2015-11, Amending Chapter 3.50 of the City’s Municipal Code, “Transactions and Use Tax” To Extend the One-Quarter Cent Transactions and Use Tax Term for Thirty Years”.

Finding: No exceptions were noted as a result of our procedures.

2. Obtained a Schedule of Measure S Revenues and Expenditures for the fiscal year and agreed totals reported on the schedule to the City’s trial balance.

Finding: No exceptions were noted as a result of our procedures.

3. Compared Measure S revenues reported to quarterly sales tax reports published by the Board of Equalization.

Finding: No exceptions were noted as a result of our procedures.

4. Inquired if the Oversight Committee recommended and/or the City Council adopted an expenditure plan directing the use of Measure S revenues.

Finding: The Oversight Committee reviewed the preliminary Measure S fund budget, and noted Measure S funding initiatives and funding choices were reviewed and approved. The City Council budget adoption resolution contained the Measure S spending plan.

To the Honorable Mayor and Members of the City Council

of the City of San Mateo

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5. Tested expenditures charged against the Measure S revenues and verify expenditures were for allowable purposes and in accordance with the budget.

Finding: No exceptions were noted as a result of our procedures.

6. Produced schedule of revenues and expenditures for Measure S sub-fund.

Finding: The schedule is attached to this report.

7. Report any findings regarding compliance with Chapter 3.50.170 of the City's Municipal Code as a result of the procedures performed.

Finding: No exceptions were noted.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respective on the accompanying schedule. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "The Pugh Group, LLP". The signature is fluid and cursive, with "The Pugh Group" on the first line and "LLP" on the second line.

Walnut Creek, California

January 25, 2024

City of San Mateo
Measure S Fund
Schedule of Revenues and Expenditures
For the Year Ended June 30, 2023

Revenues:

Sales and use taxes	\$ 7,254,543
Total revenues	\$ 7,254,543

Expenditures:

Police	\$ 1,451,055
Parks and recreation	309,708
Library	219,676
Transfers out to General Fund	339,032
Transfers out to Capital Projects Fund	428,756
Transfers out to Debt Service Fund	<u>2,692,749</u>
Total expenditures	\$ 5,440,976

*This schedule is prepared using the modified accrual basis of accounting.

