

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council
FROM: Hugh R. Riley, Assistant City Manager 
DATE: November 27, 2007 (CC Meeting of 12/5/07)
SUBJECT: Consider Results of Voter Opinion Poll Conducted Between September 14 and September 23, 2007

DISCUSSION

On July 10, 2007 the City Council selected Godbe Research to conduct a Voter Opinion Survey to Moorpark Voter support for possible revenue enhancements and potential bond measures for the financing of public capital facilities. A final report based on data collected by Godbe Research between September 14 and September 24 was provided to the City Council on October 17, 2007.

A summary of the results is as follows:

SUMMARY OF SURVEY RESULTS

1. Moorpark voters expressed high satisfaction with the overall quality of life in Moorpark and with the City's performance.
2. Voters were most satisfied with park maintenance, open space preservation and police services.
3. Voters were least satisfied with traffic safety, planning and street maintenance.
4. Survey results show insufficient voter support at this point for either a bond measure or a business license tax.
5. A special assessment might be an option to consider.
6. A well organized public education effort could increase voter support.

7. Public education efforts should emphasize the most salient spending projects to the voters including:

- Maintaining police services
- Ongoing youth and teen facilities, programs and services
- Maintaining existing city parks
- Maintaining city streets and sidewalks

Representatives from Godbe Research will be available at the December 5 meeting to address any questions the Council may have.

FUTURE BUDGET CONSIDERATIONS

As the Council and staff work toward making decisions for the City's future budget requirements the issues raised by the City Manager during the budget process should again be considered.

General purpose revenues, such as property tax, sales tax and vehicle license fees are the only significant source of revenue the City receives which do not have restrictions on how they may be used. These discretionary revenue sources are used to support a variety of programs and services that do not have other dedicated revenue sources. As inflation and the demand for services grow, the future of those services depends on increases in these discretionary revenues. Most significantly, in the 2007/08 fiscal year, 63% of the revenues from these three sources (sales tax, property tax, and vehicle license fees) will be spent on law enforcement services. Over the past six years, the City's cost to provide law enforcement services has increased at a higher percentage rate each year than General Fund revenues. Probable increases in these revenue sources may not be able to keep pace with the increased costs.

In addition, an increasing amount of future revenues 1) property tax; 2) VLF; and 3) sales tax to the General Fund will be needed to supplement assessment district revenues for lighting and landscaping districts and park maintenance districts. For example, the total operational cost to maintain the City's parks is projected to be \$1.9 million for the 2007/08 fiscal year. Special assessments paid by property owners will pay an estimated \$640,000 of this amount leaving the General Fund to fund the remaining \$1,300,000. This is an increase of approximately \$100,000 in transfers from the General Fund when compared to the FY 06/07 estimated transfer of \$1,200,000.

The park benefit assessment revenue for FY 2007/2008 is expected to be only about 33% of the proposed operating costs. The following table describes changes related to the park operating costs from FY 1999/2000 to proposed FY 2007/2008. In that time, Assessment Revenue has increased about \$193,000 (43.2%) and the use of General Fund also increased about \$880,000 (210%).

	FY1999/2000	Adopted FY 2007/2008	Change
parks	14	16 *	2 +14%
Assessment Amount	\$39.00	\$48.74	\$9.74 +25%
# of SFE Assessments	11,466	12,896	1,430 +12.4%
Lighting Costs	\$867,000	\$1,992,300	\$1,056,000 + 121.8%
Assessment Revenue (AR)	\$447,000	\$ 640,000	\$193,000 +\$43.2%
General Fund Contribution	\$420,000	\$1,300,000	\$880,000 +210%
AR as a % of Operating Costs	51.6%	33.28%	-18.3% -35.5%
GF as a % of Operating Costs	48.4%	67.6%	+19.2% +39.7%
* Includes expanded AVCP			

As in prior years, several of the Lighting and Landscaping (L&L) District Zones continue to face deficit fund positions, as assessment revenues have not been adequate to pay all lighting and landscaping related expenses. The FY 07/08 budget projections show an aggregate deficit of \$339,050 in the Lighting and Landscaping District Zones. As the Council is aware, the transfer is made for General Fund and Gas Tax Fund reserves in the fall after an audit has been completed. For the last four years, the City has needed to use reserve funds from the Gas Tax Fund and General Fund to offset deficits in Assessment District No. 84-2 for citywide landscaping and street lighting. Proposition 218 has limited the City's ability to increase the assessments to offset the increases. The City's practice has been to fund 100% of the street lighting deficit and 50% of the landscaping deficit from the Gas Tax Fund and 50% of the landscaping deficit from the General Fund. In addition to the citywide zone, five other zones also operate in a deficit. These are Zone 5 (Tierra Rejada Road w/ Peach Hill Road), Zone 7 (North side of Los Angeles Avenue east of Gabbert Road), Zone 8 (Home Acres Buffer), Zone 9 (Condor Drive at Princeton Avenue), and Zone 10 (Mt. Meadows).

In conclusion, some form of revenue enhancement measure will need to be implemented in the near future for the City to maintain the current level of services and provide quality public parks and facilities. The situation has become even more critical in light of the recent state budget projections.

STAFF RECOMMENDATION

1. Receive and File Report
2. Refer Revenue Enhancement Options Issue to Finance, Administration and Public Safety Committee