



## **Agenda**

### **MEASURE L CITIZENS' OVERSIGHT COMMITTEE**

**Meeting Date: Monday, August 7, 2023**

**Time: 6:00 p.m.**

**Location: Carnegie Forum, 305 W. Pine Street, Lodi**

For information regarding this Agenda please contact:

**Andrew Keys, Deputy City Manager**

**Telephone: (209) 333-6700**

- A. Call to Order / Roll Call**
- B. Approve Minutes of the November 7, 2022 Measure L Citizens' Advisory Committee**
- C. Receive Background Information on Measure L Citizen's Oversight Committee Role and Annual Accountability Report and an Update on Fiscal Year 2022/23 Year End Estimates and Fiscal Year 2023/24 Measure L Budget**
- D. Adjournment**

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

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Andrew Keys  
Deputy City Manager

*All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Manager's Office as soon as possible and at least 72 hours prior to the meeting date. Language interpreter requests must be received at least 72 hours in advance of the meeting to help ensure availability. Contact Andrew Keys at (209) 333-6700. Solicitudes de interpretación de idiomas deben ser recibidas por lo menos con 72 horas de anticipación a la reunión para ayudar a asegurar la disponibilidad. Llame a Andrew Keys (209) 333-6702.*



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## **MEASURE L CITIZENS' OVERSIGHT COMMITTEE COMMUNICATION**

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**AGENDA TITLE:** Approve Minutes of the November 7, 2022 Measure L Citizens' Oversight Committee

**MEETING DATE:** August 7, 2023

**PREPARED BY:** Deputy City Manager

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**RECOMMENDED ACTION:** Approve minutes of the November 7, 2022 Measure L Citizens' Oversight Committee.

**BACKGROUND INFORMATION:** Attached are copies of the subject minutes marked Exhibit A.

**FISCAL IMPACT:** N/A

**FUNDING AVAILABLE:** N/A

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Andrew Keys  
Deputy City Manager/Internal Services Director

Attachments:  
Exhibit A – Minutes of the November 7, 2022 Measure L Citizens' Oversight Committee

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APPROVED: \_\_\_\_\_  
Stephen Schwabauer, City Manager

**MEASURE L CITIZENS' OVERSIGHT COMMITTEE MEETING  
CARNEGIE FORUM  
MONDAY, November 7, 2022**

A. CALL TO ORDER / ROLL CALL

The Measure L Citizens' Oversight Committee meeting of November 7, 2022, was called to order by Chairperson Spring at 6:02 p.m.

Present: Committee Members – Bubak, Dad, Spring and Woehl

Absent: None

Vacant: District 3

Also Present: Deputy City Manager Keys

Committee Member Spring asked if it was necessary to mark Pennino absent. DMC Keys clarified that we can leave that spot vacant.

B. APPROVE MINUTES OF THE OCTOBER 10, 2022 MEASURE L CITIZENS' OVERSIGHT COMMITTEE

VOTE:

The above motion carried by the following vote:

Ayes: Committee Members – Bubak, Dad, Spring and Woehl

Noes: Committee Members – None

Absent: Committee Members – None

Abstain: Committee Members – None

C. ADOPT RESOLUTION RECOMMENDING THE DRAFT FISCAL YEAR 2021/22 MEASURE L ANNUAL ACCOUNTABILITY REPORT FOR CITY COUNCIL APPROVAL

Deputy City Manager (DCM) Andrew Keys reviewed the report called to action to approve and send to Council.

Committee Member Woehl stated the balance in the footnote in Table 1 on page 3 does not tie to the beginning fund balance listed and asked what is included in the \$1.6 million. DCM Keys agreed and will have the report updated.

Committee Member Woehl stated that on page 7 of the report there was a "FY 2022" in the last paragraph that was not updated to say "Fiscal Year 2022". DCM Keys agreed and will have the report updated.

Committee Member Woehl motioned to approve the report with the contingency that the discussed changes will be made. Committee Member Bubak 2<sup>nd</sup> the motion and the vote carried unanimously.

D. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 6:15 p.m.

ATTEST:

Andrew Keys  
Deputy City Manager

# FY 2022/23 Measure L Committee First Meeting

Presented by: Andrew Keys, Deputy City Manager  
August 7, 2023



# Agenda

- Measure L Review
  - LMC Section 3.30.030 – Purpose
- Committee's Role
  - LMC Section 3.30.150 – Establishment of Citizen's Oversight Committee
- Annual Accountability Report
  - LMC Section 3.30.140 – Annual Accountability report
- Brown Act Basics
- Measure L to Date
- FY 2022/23 Committee Next steps



# Measure L Review

- General Purpose Transactions and Use Tax
  - Approved by voters November 2018
  - Collection and CDTFA advances began April 1, 2019
  - Contracts with HdL for budgeting, monitoring, reporting and auditing
    - Similar to General purpose sales tax
  - As a use tax, items are taxed where they are used not necessarily where sold
    - e.g., Cars are taxed based on address of registration
  - No restrictions on use of proceeds
    - Oversight Committee with a reporting obligation



# Measure L Review

- Ballot Question

*To make neighborhoods safer, maintain/improve essential City of Lodi services including: reducing crime; maintaining neighborhood police patrols/gang violence intervention/prevention; fixing potholes/city streets; maintaining neighborhood fire stations; enhancing rapid police/fire response times by restoring firefighter and adding police positions; maintaining recreation facilities/programs; **and other general fund purposes;** shall the City of Lodi measure enacting an ongoing half cent local sales tax, providing \$5,400,000 annually, with independent citizen oversight, and funds spent locally, be adopted?*



# Measure L Review

- LMC Section 3.30.030 outlines Measure L's purpose
  - No mention of specific uses in the adopted ordinance
  - The purpose is essentially to establish a general tax to be administered similarly to the statewide sales tax already in place





# LMC Section 3.30.030

## **3.30.030 - Purpose.**

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.
- B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.



# LMC Section 3.30.030

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

E. To adopt a retail transactions and use tax for unrestricted general revenue purposes, to remain in effect until the voters amend or repeal it.



# Committee's Role

- LMC Section 3.30.150 Establishment of citizen's oversight committee
  - Section A. outlines duty to review the annual accountability report meeting the requirements of section 3.30.140 and report findings to the City Council and citizens of Lodi
  - Section C. requires the committee to meet at least 3 times each year to review expenditure of Measure L revenue and report findings to Council
    - Report is subject to review and approval of the Council
    - Review confined to Measure L only
  - The Committee is supported with staff time by the City Manager or designee to provide information, technical assistance and to publicize findings
    - Staff recommendation is for the City's CFO to staff this committee (currently Deputy City Manager/ISD)
  - Subject to Brown Act



# LMC Section 3.30.150

## **3.30.150 - Establishment of citizens' oversight committee.**

A. Committee Established. A Citizens' Oversight Committee is hereby established in the City of Lodi which shall have the duty and responsibility to review the annual accountability performance report and report its findings to the City Council and the citizens of the City.

B. Selection of Members. Members of the Citizens' Oversight Committee shall be appointed by the City Council. The Committee shall consist of five members. Members of the Citizens' Oversight Committee shall not be current City of Lodi employees, officials, contractors, or vendors of the City. Past employees, officials, contractors, and vendors shall be eligible to serve on the Committee, provided that there are no conflicts of interest as determined by the City Attorney. To the extent possible at least two members of the Committee shall be certified public accountants or equivalent. Of the members of the Committee first appointed, three members shall be appointed for terms of two years and two members shall be appointed for terms of three years. Their successors shall be appointed for terms of three years. No member may serve more than two consecutive three-year terms. The City Council shall solicit members of the Citizens' Oversight Committee, through an open application process that is promoted through the City's recruiting process for boards and commissions. Any resident of the City is eligible to apply for Committee membership, subject to the restrictions specified above. All applications will be reviewed by the City Council, which will have the authority to make final decisions regarding Committee composition, subject to the guidelines in this ordinance.



# LMC Section 3.30.150

C. Purposes and Jurisdiction. The Citizens' Oversight Committee shall meet a minimum of three times per year, including conducting an annual review of expenditures of revenue collected pursuant to this ordinance to determine whether such funds are expended for the purposes set forth in this ordinance. Committee members may review the annual financial audit performed by an independent auditor during the review process. The Citizens' Oversight Committee shall issue an annual report on their findings to the City Council and to the citizens of Lodi. The Citizens' Oversight Committee annual report is subject to review and approval of the City Council. **The Committee shall confine its review specifically to revenues generated pursuant to this ordinance and the expenditure of those revenues. The Committee shall serve in an advisory-only role to the City Council. Committee members shall not play a formal or informal role in the expenditure of the funds raised by this ordinance. The Committee is not charged with decision-making on spending priorities; schedules; project details; funding source decisions; financing plans; or tax rate assumptions. The Committee shall have no jurisdiction other than that delegated to it by the People pursuant to this ordinance.** The Lodi City Manager or the City Manager's designee shall provide reasonable administrative or technical assistance required by the Committee to fulfill its responsibilities or publicize its findings.

D. Meetings. The Citizens' Oversight Committee shall meet a minimum of three times per year with specific meeting dates to be determined by Committee members. Citizens' Oversight Committee meetings are subject to the Brown Act. Meetings must be noticed and open to the public. Committee minutes and reports are a matter of public record, and must be posted on the City's web site. Additional meetings may be scheduled by the Committee as necessary. All Committee members shall attend a training and orientation session prior to the first regular Committee meeting. Committee members are expected to attend all regular meetings. Failure to attend two consecutive meetings may result in removal from the Committee at the discretion of the City Council.



# LMC Section 3.30.150

E. Committee Operations. The Citizens' Oversight Committee will select members to serve as Chair and Vice Chair of the Committee. A City staff person will be appointed by the City Manager, or the City Manager's designee, to serve as Secretary. The Secretary will be responsible for preparing, posting, and distributing agendas and taking minutes at each meeting. Approved minutes shall be made available to the public. Committee decisions, positions, findings, and procedures shall require a simple majority vote of those Committee members in attendance. The quorum requirement for any meeting shall be a minimum of three (3) members.

F. Vacancies. Committee members may be removed from the Committee only by the City Council for repeated absences at committee meetings, malfeasance, failure to meet the qualifications set forth in this Section, or for inability or unwillingness to fulfill the duties of a Committee member. In the event of removal, resignation, or death, the City Council shall appoint a person to fill the vacant seat.

G. Miscellaneous. Subject to the restrictions specifically addressed in this Section, the Committee may draft and adopt its own standard procedures and by-laws by majority vote. All Citizens' Oversight Committee procedures and by-laws remain subject to review and approval of the City Council.



# Annual Accountability Report

## **3.30.140 - Annual Accountability Report.**

The City Council shall cause preparation of an annual accountability report for the benefit of the citizens of the City and in order to assure accountability in the expenditure of tax revenues received pursuant to this ordinance. The annual accountability performance report shall be posted on the City's website and shall include the following information:

A. The amount of revenue collected pursuant to the transactions and use tax imposed by this ordinance;

B. The amount and general purposes of the expenditures made possible by this ordinance including, where feasible, a categorization of the nature and purpose of the expenditures. These categories may include, among other things:

1. A listing of general fund service expenditures (such as police, fire, parks and recreation, library, youth and senior programs, and other general fund services).

2. A listing of capital facility expenditures (such as streets, police and fire facilities, emergency communication systems, and other general fund capital expenditures).

3. Such other categories of general fund services or capital expenditures as the City Council may from time to time deem necessary and desirable.



# Brown Act Basics

- All meetings must be public, agendaized and noticed 72 hours in advance
  - Public comment must be taken at the meeting
  - No member of the public can be prevented access to the meeting
- Quorum (majority) of the committee cannot meet to discuss committee business outside a publicly noticed meeting
  - Includes a meeting via electronic or teleconference (email, text or other private communications included)
  - Serial meetings (phone tree)





# FY 2022/23 Committee Next Steps

- Confirm next two meeting dates
- At next meeting
  - Review Fiscal Year 2022/23 draft report based on unaudited actuals
  - Provide comments and feedback to staff
- At following meeting
  - Approve Fiscal Year 2022/23 draft report
- TBD, City Council review and approval of final FY 2022/23 report



# Fiscal Year 2022/23 Year End

- Fiscal Year 2022/23 began with a revenue and expenditure estimate of \$9,118,800
- Fiscal Year 2022/23 Year End (estimated)\* revenue: \$9,732,472
- Fiscal Year 2022/23 Year End expenditures: \$9,643,551
- Economic/Catastrophic Reserve increase (estimated)\*: \$88,921 (16% of revenue growth over FY 2021/22)

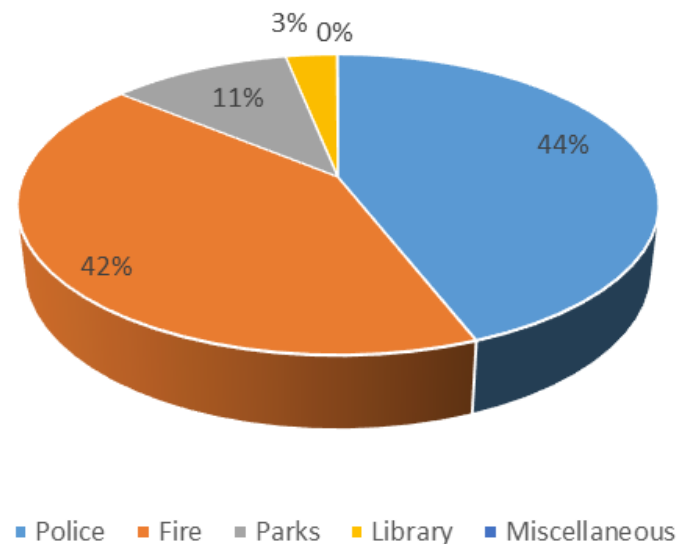
\* Based on activity through May 2023; June 2023 revenue estimated



# Fiscal Year 2022/23 Year End

Category	Expenditures
Police	\$ 4,252,603
Fire	\$ 4,042,628
Parks	\$ 1,045,250
Library	\$ 296,589
Miscellaneous	\$ 6,481
<b>Total</b>	<b>\$ 9,643,551</b>

FY 2022/23 Measure L Expenditures  
\$9,643,551



# Fiscal Year 2022/23 Year End

- Measure L funded 35 full time and 2 part time employees, and over \$2.4 million in public safety overtime costs.
  - In other words, the City would have nearly 35 less employees and be unable to fully staff fire stations without Measure L.

Department	FT	Part Time	Overtime
Police	26	2	\$ 156,292
Fire	8	0	\$ 2,298,047
Library	1	0	\$ -
<b>Totals</b>	<b>35</b>	<b>2</b>	<b>\$ 2,454,339</b>



# Fiscal Year 2023/24 Budget

- Revenues: \$9,322,220
- Expenditures: \$9,322,220

Measure L Funded Positions	FY 2022/23 Budget	FY 2023/24 Budget	Cost:
Police Officers	26	25	\$ 4,322,710
Firefighters	8	8	\$ 1,368,870
Librarian	1	1	\$ 113,370
Street Maintenance Worker	0.2	0.2	\$ 32,880
<b>Total Full-Time</b>	<b>35.2</b>	<b>34.2</b>	<b>\$ 5,837,830</b>
Public Safety Overtime			\$ 1,628,820
Part-Time Community Service Officers (2)			\$ 66,600
Supplies, Materials, Training			\$ 356,120
Library Operations			\$ 276,690
Parks, Recreation & Cultural Services Operations			\$ 756,160
Parks Capital			\$ 400,000
<b>Measure L Total</b>			<b>\$ 9,322,220</b>



# Fiscal Year 2023/24 Budget

- Increased base operational support to Library and Parks, Recreation and Cultural Services
  - Library: \$276,690 funded by Measure L – an increase of \$43,630 from FY 23
  - PRCS: \$756,160 funded by Measure L – an increase of \$110,910 from FY 23
  - Helps both departments keep up with contractual cost increases for labor groups and minimum wage increases
  - Provides additional revenue for tree trimming in parks
- Maintained transfer to Parks Capital Fund
  - \$400,000 funded by Measure L

