



# Measure L Citizens' Oversight Committee

Teleconference Meeting

Streaming Links:

<https://www.facebook.com/CityofLodi/>

<https://zoom.us/j/99853168896>

## AGENDA – Meeting

Date: October 19, 2020

Time: 6:00 p.m.

## SPECIAL NOTICE

**Effective immediately and while social distancing measures are imposed, Council chambers will be closed to the public during meetings of the Measure L Citizens' Oversight Committee.**

**The following alternatives are available to members of the public to watch Committee meetings and provide comments on agenda and non-agenda items before and during the meetings.**

### Viewing:

Members of the public may view and listen to the open session of the meeting at <https://www.facebook.com/CityofLodi/>; or

Please click the link below to join the meeting:

<https://zoom.us/j/99853168896>

Meeting ID: 998 5316 8896

Passcode: 271625

Or iPhone one-tap : US: +16699009128,,99853168896#,,,,,0#,,271625#

Or Telephone: Dial: US: +1 669 900 9128

Meeting ID: 998 5316 8896

Passcode: 271625

### Public Comment:

Members of the public can send written comments to the Committee prior to the meeting by emailing [MeasureLComments@lodi.gov](mailto:MeasureLComments@lodi.gov). These emails will be provided to the members of the Committee and will become part of the official record of the meeting.

Members of the public who wish to verbally address the Committee during the meeting should email those comments to [MeasureLComments@lodi.gov](mailto:MeasureLComments@lodi.gov). Comments must be received before the Chair announces that the time for public comment is closed. The Deputy City Manager will read three minutes of each email into the public record. **IMPORTANT:** Identify the Agenda Item Number or Oral Communications in the subject line of your email. Example: Public Comment for Agenda Item Number 1. Members of the public may also participate via Zoom at the following link: <https://zoom.us/j/99853168896>.

Pursuant to the Americans with Disabilities Act (ADA) and Executive Order N-29-20, if you need special assistance to provide public comment in this meeting, please contact Andrew Keys at (209) 333-6700 at least 72 hours prior to the meeting in order for the City to make reasonable alternative arrangements for you to communicate your comments. If you need special assistance in this meeting for purposes other than providing public comment, please contact Andrew Keys at (209) 333-6700 at least 72 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.160 (b) (1)).

## SPECIAL TELECONFERENCE NOTICE

### Pursuant to Executive Order N-29-20:

The Brown Act, Government Code Section 54953, contains special requirements that apply when members of a legislative body participate in a public meeting by telephone. Certain of these requirements have been suspended by Paragraph 3 of Executive Order N-29-20, executed by the Governor of California on March 17, 2020, to mitigate the spread of Coronavirus (COVID-19). In particular, the Executive Order suspends that provision of the Brown Act that requires noticing, posting of agendas, and public access to each location where a member will be participating telephonically, as well as provisions that require physical presence of members of the legislative body or the public for purposes of a quorum or to hold a meeting. Executive Order N-29-20 allows an agency to conduct a teleconference meeting that provides members of the public telephonic or other electronic participation in place of making a physical location for the public to observe the meeting and provide public comment, consistent with other provisions of the Brown Act.



## Agenda

### MEASURE L CITIZENS' OVERSIGHT COMMITTEE

**Meeting Date:** Monday, October 19, 2020  
**Time:** 6:00 p.m.  
**Location:** [www.facebook.com/CityofLodi/](https://www.facebook.com/CityofLodi/) or

<https://zoom.us/j/99853168896>

Meeting ID: 998 5316 8896

Passcode: 271625

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 August 3, 2020 Measure L Citizens' Advisory Committee**
- C. Receive Draft Fiscal Year 2019/20 Measure L Annual Accountability Report**
- 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.*



**CITY OF LODI  
MEASURE L CITIZENS' OVERSIGHT COMMITTEE  
COMMUNICATION**

**AGENDA TITLE:** Approve Minutes of the August 3, 2020 Measure L Citizens' Oversight Committee

**MEETING DATE:** October 19, 2020

**PREPARED BY:** Deputy City Manager

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**RECOMMENDED ACTION:** Approve minutes of the August 3, 2020 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 August 3, 2020 Measure L Citizens' Oversight Committee

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

**MEASURE L CITIZENS' OVERSIGHT COMMITTEE MEETING  
CARNEGIE FORUM, 305 WEST PINE STREET  
MONDAY, August 3, 2020**

A. CALL TO ORDER / ROLL CALL

The Measure L Citizens' Oversight Committee meeting of August 3, 2020, was called to order by Chair Pennino at 6:00 p.m.

Present: Committee Members – Hothi, Pennino, Rhoads, Spring, and Woehl

Absent: Committee Members – None

Also Present: Deputy City Manager Keys

B. APPROVE MINUTES OF THE MAY 18, 2020 MEASURE L CITIZENS' OVERSIGHT COMMITTEE

Committee Member Woehl made a motion, seconded by Vice Chair Spring to approve the minutes of the May 18, 2020 meeting, correcting the date of the meeting to May 18, 2020 and recording Committee Member Woehl as Present with his votes recorded as "No Vote Recorded" due to his audio difficulties. Committee Member Woehl was present and heard the entire meeting but was unable to connect his audio to speak.

VOTE:

The above motion carried by the following vote:

Ayes: Committee Members – Hothi, Pennino, Rhoads, Spring, and Woehl

Noes: Committee Members – None

Absent: Committee Members – None

C. RECEIVE UPDATE ON THE MEASURE L CITIZEN'S OVERSIGHT COMMITTEE ANNUAL ACCOUNTABILITY REPORT IN BRIEF MAILING

Deputy City Manager Keys provided an overview of the brief report that was prepared to mail out information on Measure L highlights to residents.

Vice Chair Spring asked if the timing of this report is typical being so far removed from the fiscal year. Deputy City Manager confirmed that the delayed audit for Fiscal Year 2018/19 and COVID both had impacts on the timing of the report and future briefs could be mailed by 1<sup>st</sup> quarter of the calendar year following a fiscal year.

Committee Member Hothi asked for the report to be provided to the Lodi News Sentinel and publicized via social media. Committee Member Rhoads asked if the report would be provided to paperless billing customers. This was confirmed by Deputy City Manager Keys.

D. RECEIVE UPDATE ON THE FISCAL YEAR 2020/21 MEASURE L BUDGET

Deputy City Manager Keys provided an update on the Fiscal Year 2019/20 Year End and the FY 2020/21 budget as was presented to the City Council in April. Chair Pennino asked if the numbers had been updated based on COVID and Deputy City Manager Keys clarified the numbers had not been updated.

Chair Pennino asked when the seven unfunded Police Department positions would be funded and added back into a future budget to meet with Measure L's goal of adding police positions. Deputy City Manager Keys stated the timeline is uncertain and is based on the pace of economic recovery. DCM Keys stated it could be as soon as next year but these could also be long term reductions if the economy does not quickly recover.

Committee Member Rhoads asked if the City had more filled police officer positions now than prior to Measure L. DCM Keys stated that even with the unfunded positions, the City has been able to keep itself closer to full employment which means more police officers have been employed by the City post Measure L. Prior to Measure L, significant vacancies in the

*Continued*

department meant the total number of officers was below budgeted levels and the City currently operates closer to or at budgeted levels.

Chair Pennino clarified his position that Measure L was never intended as a revenue source to balance the budget and did not like the wording that positions were being shifted to Measure L. Deputy City Manager Keys clarified that Measure L is both a maintenance of services and an enhancement of services measure and the movement of positions to Measure L is part of the maintenance of services component. Vice Chair Spring agreed the use of the word shift is not the best choice of words.

Vice Chair Spring asked for confirmation that there was no funding for parks projects. Deputy City Manager Keys confirmed that the planned Fiscal Year 2020-21 funding for parks was exclusively for tree maintenance.

Chair Pennino summarized the message for the use of Measure L funds is that Measure L has saved the City from making drastic cuts to public safety services.

Committee Member Rhoads asked to clarify why the cost per officer is increasing. Deputy City Manager cited new employment contracts, more experienced officers on a higher step in the pay scale and higher benefits.

Committee Member Woehl asked if there was a FY 2019/20 budget update. Deputy City Manager Keys stated an FY 2019/20 budget update would be coming in October. A brief update on general FY 2019/20 trends was presented.

Committee Member Rhoads expressed that we should produce an average dollars per month or per year that is spent by an average Lodi resident.

Committee Member Woehl clarified that no Measure L dollars were spent on unfunded liabilities for pensions. He also questioned what would happen if Measure L budgets for FY 2020/21 did not materialize. Deputy City Manager Keys explained that the plan is to first utilize reserves if possible to bridge the service gap until revenues and the economy recover, hopefully within the current fiscal year.

C. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 7:01 p.m.

ATTEST:

Andrew Keys  
Deputy City Manager



# CITY OF LODI MEASURE L CITIZENS' OVERSIGHT COMMITTEE COMMUNICATION

**AGENDA TITLE:** Receive Draft Fiscal Year 2019/20 Measure L Annual Accountability Report

**MEETING DATE:** October 19, 2020

**PREPARED BY:** Deputy City Manager

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**RECOMMENDED ACTION:** Receive draft fiscal year 2019/20 Measure L Annual Accountability Report.

**BACKGROUND INFORMATION:** Lodi Municipal Code Section 3.30.140 requires the City Council to cause preparation of an Annual Accountability report for expenditures of Measure L tax revenues received. The report is required to include the following:

- a. The amount of revenue collected;
- b. The amount and general purpose of expenditures made from this revenue by category

LMC Section 3.30.150 (A) establishes the Measure L Citizens' Oversight Committee and charges the Committee to "have the duty and responsibility to review the annual accountability report and report its findings to the City Council and the citizens of the City."

City staff has prepared the attached report for the Committee's review and discussion. The Committee will be asked to take formal action at its next meeting to recommend the report to the City Council for the Council's acceptance at a future meeting.

**FISCAL IMPACT:** N/A

**FUNDING AVAILABLE:** N/A

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Andrew Keys  
Deputy City Manager/Internal Services Director

Attachments:  
Draft Fiscal Year 2019/20 Measure L Annual Accountability Report

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



# DRAFT

# Measure L

## FISCAL YEAR 2019/20

## ANNUAL ACCOUNTABILITY REPORT

### Measure L Citizen's Oversight Committee Members

- District 1 - Gary Woehl
- District 2 - Terence Spring
- District 3 - Phil Pennino
- District 4 - Spencer Rhoads
- District 5 - Mikey Hothi



Measure L was passed by the voter's in Lodi in November of 2018. Collection for the general purpose retail transactions and use tax began on April 1, 2019. This report presents information for the Fiscal Year 2019/20. The Ordinance requires the City Council to cause the preparation of an Annual Accountability Report (the "Report") to be reviewed by the Measure L Citizen's Oversight Committee. The Committee is responsible to review the Report and present findings to the City Council. The text printed on the ballot for Measure L is as follows. The full text of the ordinance can be viewed online at [Lodi Ordinance No. 1953](#). Expenditures for the period include those for fire and police services and capital.



*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.*



### **Fiscal Year 2019/20 Measure L Revenue**

COVID-19 and its impact to local revenues were unknown during the final quarter of Fiscal Year 2019/20. The community was encouraged to stay home and social distance. Businesses were ordered closed and those that remained opened were at reduced capacity. The City's sales tax consultants, HdL Companies, using all available indicators, predicted that the city's sales tax receipts in total would be 13.6% lower for FY 20 than those received in FY 19. Many economists predicted drops in economic activity substantially greater than that.

Not only did Measure L revenues meet original budget expectations, they far exceeded them. Initial estimates called for approximately \$5.2 million in revenue for the Fiscal Year 2019/20. Actual receipts were \$6,762,083.

Four factors are responsible for this. First, initial FY 2019/20 budget estimates were far below the pre-pandemic pace of economic activity from July 2019 through February 2020. At the time of the pandemic, the City was set to far exceed initial Measure L budget expectations. Second, AB 147, California's legislation to respond to the *South Dakota vs. Wayfair* Supreme Court decision had a much bigger impact on revenues than anticipated. AB147 required all online retailers selling in excess of \$500,000 of goods annually to register and pay sales tax. This included provision to force larger marketplace facilitators selling goods for third parties to collect and remit tax on behalf of the smaller sellers. The new legislation took effect April 1, 2019, and there was not sufficient time or data pre-pandemic to revise Measure L revenue estimates. As a Transaction and Use tax, all goods ordered online and delivered to Lodi are subject to the half-cent Measure L tax with 100% of that tax revenue going to the City of Lodi. This is not the case with a traditional sales tax. Goods delivered to Lodi also pay general sales tax, but all San Joaquin County revenue goes to a County wide pool that is then distributed to agencies within the County based on each agencies share of traditional bricks and mortar retail sales. Third, Lodi's top sales tax producing businesses are large, essential retail outlets that were open and even thriving during the pandemic. The City relies less than some other agencies on auto sales and does not have a large mall, minimizing the pandemics influence on revenue. Fourth, Lodi residents asked to stay home were more likely to shop locally during the pandemic. This kept more dollars local as citizens followed stay at home guidelines and traveled less during the pandemic.



**Table 1. FY 2019/20 Measure L Expenditures by Category**

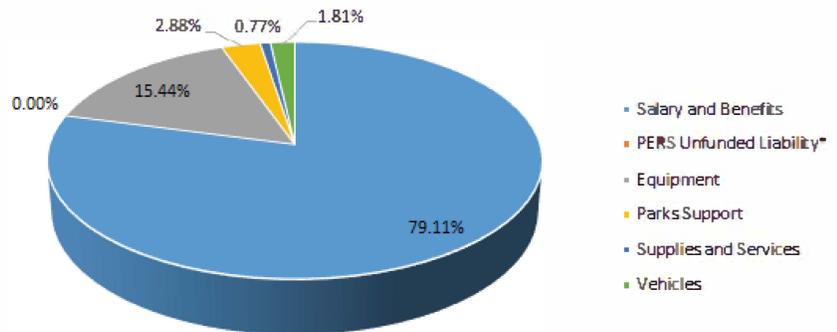
<b>Revenue</b>	<b>6,762,083</b>
Salary and Benefits	5,043,940
PERS Unfunded Liability*	-
Equipment	984,594
Parks Support	183,402
Supplies and Services	48,856
Vehicles	115,089
<b>Total Expenditures</b>	<b>6,375,881</b>

**Revenue Less Expenditures** **386,202**

Funds Encumbered but Not Yet Spent	
Police Vehicles	56,921
Safety Equipment	42,024
Parks	2,918
<b>Total Encumbrances</b>	<b>101,864</b>

**Fund Balance at June 30, 2020** **1,087,481**

**FY 19/20 Measure L Expenditures by Category**



\* Measure L funds are not used to pay unfunded pension costs accrued from prior years' service.



**Table 2. FY 2019/20 Measure L Expenditures by Category**

Police	3,152,380
Fire	3,040,099
Parks	183,402
<b>Total</b>	<b>6,375,881</b>

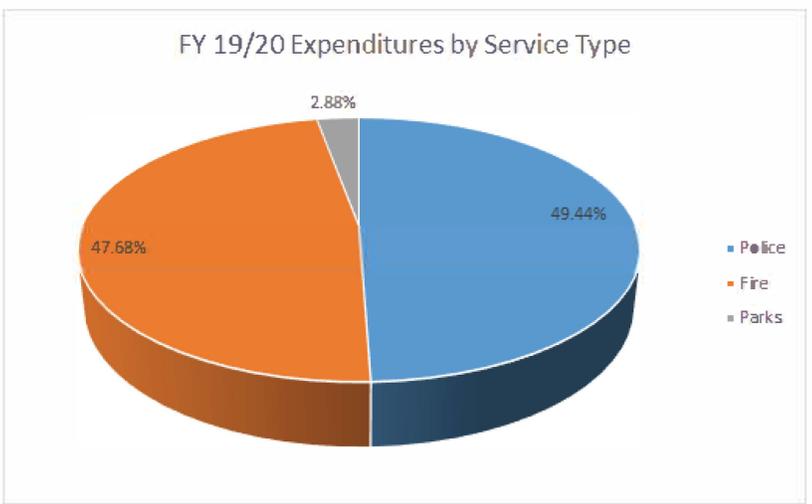


Table 1 on the previous page shows revenues and expenditures and summarizes the Measure L fund balance as of June 30, 2020. Included in the summary are expenditures by *Category*. The chart shows that nearly 80% of the Measure L resources were spent on salary and benefits. Table 2 represents the expenditures by *Service Type*. Police expenditures totaled 49.4%; Fire 47.7% and Parks 2.9%. In the FY 20 budget, Council authorized the funding of a Librarian. The position was recruited and a candidate selected, however with the uncertainty of the COVID-19 impact to revenue, the offer of employment was delayed. The position is once again funded for FY 21.

Measure L funds have been used to upgrade and replace the Police and Fire radio infrastructure. This project provided a more reliable and flexible technology to adapt to future enhancements. In addition to what was expended in the prior year, Council authorized an additional \$398,000 of Measure L fund balance to complete the project in FY 20.



### **Fiscal Year 2019/20 Measure L Expenditure Highlights**

- 20 Peace Officers
- 2 Part Time Community Services Officers
- 9 Firefighters
- Fire Overtime to full staff Engine 2013
- 3 vehicle purchases
- Safety equipment and training to support Police and Fire operations

As a result of better than anticipated performance, 10 additional Police Officers and 3 additional Firefighters were moved from the General Fund to Measure L. Measure L also supported capital projects including improvements to the police and fire radio infrastructure, computers for police vehicles, and replacing fire house internal alerting systems. Measure L funding was instrumental in the refurbishment of Candy Cane Park and to perform much needed tree trimming in our parks.