



MEASURE U CITIZEN OVERSIGHT COMMITTEE AGENDA

October 21, 2019

3:00 p.m.

Hemet Public Library
Downstairs Conference Room
300 E. Latham Avenue

Notice: Members of the public attending shall comply with the City's adopted Rules of Decorum in Resolution No. 4545. A copy of the Rules of Decorum is available from the City Clerk.

1. CALL TO ORDER – Chairperson Gosch

2. ROLL CALL

Chairperson Gosch, Sphere of Influence
Vice Chairperson Kozma, Sphere of Influence
Dick Clark, Resident
Diane Graff, Resident
Daniel Goodrich, Sphere of Influence
Jim Lineberger, Resident
Marie McDonald, Resident

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS

Anyone who wishes to address the Oversight Committee regarding items not on the agenda may do so at this time. As a Courtesy, please complete a Request to Speak Form, at the City Clerk's desk.

Submit your completed form to the City Clerk prior to the beginning of the meeting. Presentations are limited to three minutes in consideration of others who are here for agenda items. Please come forward to the lectern when the Chairperson calls upon you. When you are recognized, you may proceed with your comments.

The Oversight Committee is prohibited from taking action or discussing any item not appearing on the agenda except for brief responses to statements and or questions posed by the public. In addition, that may, on their own initiative or in response to questions posed by the public, ask a question for clarification, provide a reference too staff or other resources for factual information or request staff to report back to them at a subsequent meeting. Furthermore, a member of the Oversight Committee itself may take action to direct staff to place a matter of business on a future agenda.

5. DISCUSSION/ACTION ITEMS

- A. FY18/19 Measure U Expenditures-
Interim City Manager Christopher Lopez
Finance Director Lorena Rocha

Recommendation: Discuss and Review FY 18/19 Measure U Expenditures

- B. Public Safety Updates and Recruitment -
Police Chief Rob Webb and Fire Chief Scott Brown

Recommendation: Discussion

6. COMMITTEE MEMBER COMMENTS

7. FUTURE AGENDA ITEMS

8. NEXT MEETING DATE

- A. To Be Determined

9. ADJOURNMENT

AFFIDAVIT OF POSTING

I, Clay James, Deputy City Clerk for the City of Hemet, declare under penalty of perjury that the foregoing agenda for the 21 October, 2019 meeting(s) was posted on October 17, 2019 at City Hall, located at 445 E. Florida Ave, and Council Chambers at 450 E. Latham, Hemet, CA as well as on the City's website.

Clay James, Deputy City Clerk

Time:



Notice Regarding Americans with Disabilities Act

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting or if you need agenda documents provided in an alternative format, please contact the City Clerk's Office at 756-2689 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made (28CFR 35.102-35.104 ADA Title II)



Staff Report

Agenda # 5.A

TO: Members of the Measure U Citizen Oversight Committee

FROM: Christopher Lopez, Interim City Manager
Lorena Rocha, Finance Director

DATE: October 21, 2019

RE: Fiscal Year-End 2018/2019 Measure U Revenues and Expenditures

RECOMMENDED ACTION:

Review non-audited Fiscal Year-End 2018/2019 Measure U Revenues and Expenditures and direct staff to prepare a report for Council to be signed by the Committee Chairperson

BACKGROUND:

On July 26, 2016 the Hemet City Council passed Resolution No. 4702 placing a 1% transactions and use tax on the November 8, 2016 ballot. The ballot measure was designated as "Measure U" by the Riverside County Registrar of Voters.

On November 8, 2016, Hemet voters approved "Measure U", a 1% transactions and use tax.

On December 13, 2016 prior to the General Election, the Hemet City Council passed a Resolution No. 4731 reaffirming Resolution No. 4703 and confirming its intent to expend all proceeds of Measure U Transactions for public safety services as provided in Resolution 4703. The council further declared its intent to allocate the proceeds 1/3 to the Fire Department and 2/3 to the Police Department.

According to the Franchise Tax Board, the commencement date for the collection of the tax in the City of Hemet was April 1, 2017. Based on City of Hemet tax receipts from the 2nd quarter (April-June) 2016, the estimated revenue projection for Measure U was established at \$2,239,243.

DISCUSSION/ANALYSIS:

The State Board of Equalization sends all Cities and Counties what they call "Advance" payments each month. These payments are based on what they estimate sales tax revenues will be. Once they receive the quarterly tax reports and payments from all tax

payers/businesses, they send a “True-up” payment for any revenues collected above the estimated Advance payments. True-up payments are received in the second month after the end of each quarter.

Per Resolutions 4703 and 4731, the amount received is to be allocated 1/3 to the Fire Department and 2/3 to the Police Department. As such, any funds not expended in FY2018-19 will be reserved according to the allocation plan for future use.

Please see Attachment 1 for details on revenues, expenditures and ending available balances. The current Measure U Fund balance available for Public Safety is \$11,680,431.

The total FY2018-19 Measure U expenditure was \$7,016,539: Police share being \$5,286,539, and Fire being \$1,730,000. There is a surplus in both the Fire and Police Spending Plans due to less than expected spending toward Fire Personnel, Uniforms & Safety Equipment, Major Machinery & Equipment, and Police Personnel, Professional/Specialized Services, and Major Machinery and Equipment.

Together, with the prior year carry over, the Fire share of the budget balance is \$4,783,941; and the Police share is \$6,896,490.

FY 18/19	Total Expenditure	Total Revenue	Surplus (18/19 Carryover)	Prior Year Balance (17/18 Carryover)	Total Carryover Balance
Police	\$5,286,539	\$7,824,568	\$2,538,029	\$4,358,461	\$6,896,490
Fire	\$1,730,000	\$3,912,284	\$2,182,285	\$2,601,656	\$4,783,941
	\$7,016,539	\$11,736,852	\$4,720,314	\$6,960,117	\$11,680,431

Upon review of this information, the Committee may direct staff to prepare a report for Council to be presented at a future Council meeting.

ATTACHMENTS

1. General Fund – Revenue and Expenditure Report

Respectfully submitted,

Lorena Rocha
Finance Director

MEASURE U SPENDING SUMMARY FOR FISCAL YEAR 2018-2019 (Unaudited)

REVENUES	BUDGET	ACTUAL
Estimated Revenue	\$ 11,200,000	\$ 11,736,852
Fire Share - 1/3	\$ 3,733,333	\$ 3,912,284
Police Share - 1/3	\$ 7,466,667	\$ 7,824,568

Fire Spending Plan:

Revenue	\$ 3,733,333	\$ 3,912,284
Expenditures		
Personnel	\$ (2,135,900)	\$ (1,565,283)
Professional/Specialized Services	\$ (52,400)	\$ (52,440)
Uniforms & Safety Equipment	\$ (55,541)	\$ (102)
Major Machinery & Equipment	\$ (371,173)	\$ (71,179)
Equipment Replacement	\$ (10,000)	\$ (9,996)
City Attorney	\$ -	\$ -
Liability Insurance	\$ (31,000)	\$ (31,000)
Total	\$ (2,656,014)	\$ (1,730,000)
Surplus/(Deficit)	\$ 1,077,319	\$ 2,182,285
Plus prior year Fund Balance carryover		\$ 2,601,656
Total Fund Balance Carry Forward for future use:		\$ 4,783,941

Police Spending Plan:

Revenue	\$ 7,466,667	\$ 7,824,568
Expenditures		
Personnel	\$ (4,606,600)	\$ (3,992,460)
Professional/Specialized Services	\$ (345,390)	\$ (93,469)
Other Operating Supplies & Services	\$ (589,644)	\$ (314,972)
Major Machinery & Equipment	\$ (1,519,593)	\$ (701,257)
Equipment Replacement	\$ (114,600)	\$ (83,777)
City Attorney	\$ (4)	\$ -
Vehicle Maintenance & Repairs	\$ (7,700)	\$ (7,704)
Liability Insurance	\$ (92,900)	\$ (92,900)
Total	\$ (7,276,431)	\$ (5,286,539)
Surplus/(Deficit)	\$ 190,235	\$ 2,538,029
Plus prior year Fund Balance carryover		\$ 4,358,461
Total Fund Balance Carry Forward for future use:		\$ 6,896,490

Total Measure U Fund Balance Available \$ **11,680,431**