

MEASURE U CITIZEN OVERSIGHT COMMITTEE

AGENDA
October 29, 2018
1:00 p.m.

City of Hemet – Council Chambers
450 E. Latham Avenue

Please silence all cell phones.

**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 Clerk.*

1. Call to Order - Oversight Committee Members:

Chairperson Jeff Retmier, Resident
Vice Chairperson Marie McDonald, Resident
Richard Biber, Resident
Eric Gosch, Business Owner, Sphere of Influence
Suzanne Kozma, Sphere of Influence
Jim Lineburger, Resident
Robin Rickert, Resident

2. Pledge of Allegiance

3. Notice of Opportunity for Public Comment

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 Clerk's Desk.

Submit your completed form to the 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 made or questions posed by the public. In addition, they may, on their own initiative or in response to questions posed by the public, ask a question for clarification, provide a reference to 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.

4. Discussion/Action Items:

- A. Consideration of approval of minutes from June 25, 2018
By: Sarah McComas, City Clerk
Recommendation: Approve
- B. Public Safety Recruitment Update
By: Police Chief Webb and Fire Chief Brown
Discussion regarding this item
- C. Future Public Safety Technology and Equipment Funding needs
By: Police Chief Webb and Fire Chief Brown
Discussion regarding this items
- D. Fiscal Year End 2017/18 Measure U Revenues and Expenditures
By: Finance Director Rocha
Recommendation: Review non-audited Fiscal Year-End 20172018 Measure U Revenues and Expenditures and direct staff to prepare a report for Council to be signed by the Committee Chairperson.

5. Committee Member Comments

6. Future Agenda Items

7. Next Meeting Date – To Be Determined

8. Adjournment

END

Staff reports and other disclosable public records related to the Oversight Committee meetings are available at the Clerk's Office at 445 E. Florida Avenue during normal business hours.

#4.A

MEASURE U CITIZEN OVERSIGHT COMMITTEE

MINUTES

June 25, 2018

1:00 p.m.

City of Hemet – Council Chambers
450 E. Latham Avenue

1. Call to Order - Oversight Committee Members:

Vice Chairperson McDonald called the meeting to order at 1:02 p.m.

Committee Members Biber, Gosch, Kozma, Lineberger, Rickert and Vice Chairperson McDonald were present.

Committee Member Biber moved and Committee Member Gosch seconded a motion to excuse Chairperson Retmier. Motion carried 6-0.

2. Pledge of Allegiance

Committee Member Gosch led the Pledge of Allegiance.

3. Notice of Opportunity for Public Comment

There were no public comments presented at this time.

4. Discussion/Action Items:

A. Consideration of approval of minutes from June 19, 2018

By: Sarah McComas, City Clerk

Recommendation: Approve

Committee Member Kozma moved and Committee member Rickert seconded a motion to approve this item as presented. Motion carried 6-0.

B. Public Safety Recruitment Update

By: Police Chief Webb and Fire Chief Brown

Discussion regarding this item

Chief Brown gave the Committee a powerpoint presentation and a handout regarding the current staffing, recruitment efforts and vacancies. Chief Brown also gave the Committee an update on the equipment needs of the Department. Chief Webb gave the Committee an update on the current staffing, recruitments and vacancies.

C. FY 2018/19 Measure U Operating Budget and Calculation of General Fund Support Level for Public Safety

By: Finance Director Rocha/City Manager Parker

Recommendation: Review the proposed Measure U budget and direct staff to prepare a written report to the City Council

Finance Director Rocha gave the Committee presented the proposed FY 17/18 Measure U budget for the Committee's review.

The Committee and staff discussed the proposed budget in detail.

The Committee and City Manager Parker discussed the proposed hire freeze and its impact on the public safety departments.

City Manager Parker explained to the Committee that 79% of the City's General Fund will also be used for Public Safety. The concern is paying for the other services that the City provides. All services have to be looked at for efficiencies and possible savings.

The Committee and staff discussed the proposal use of Measure Funds to pay for a portion of prior Public Safety employees salary increases.

Public comment: Howard Rosenthal, Hemet, the City has a structural deficit.

The City Manager does need to deliver a balanced budget. Public safety is the priority.

The Committee drafted a letter to the City Council opposing the use of \$1 Million for FY 17/18 and \$1 Million for FY 18/19 of Measure U Funds to augment or support compensation increases for Non-Measure U Public Safety employees.

Committee Member Biber moved and Vice Chairperson McDonald seconded a motion to approving the Committee's position and the letter to the City Council. Motion carried 6-0.

5. Committee Member Comments

6. Future Agenda Items

Tentatively schedule a future meeting to address what happens at the City Council Meeting of June 26, 2018.

7. Next Meeting Date

The Committee will meet on July 9, 2018 at 1:00 p.m. if the City Council's decision on June 26, 2018 negatively affects Measure U Funds.

8. Adjournment

Committee Member Gosch moved and Committee Member Biber seconded a motion to adjourn the meeting at 3:55 p.m. Motion carried 6-0.



Staff Report

TO: Members of the Measure U Citizen Oversight Committee

FROM: Lorena Rocha, Finance Director
Allen Parker, City Manager

DATE: October 29, 2018

RE: Fiscal Year-End 2017/2018 Measure U Revenues and Expenditures

RECOMMENDATION:

Review non-audited Fiscal Year-End 2017/2018 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 intention to expend all proceeds of Measure U Transactions for the enhancement of 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.

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. The City received Advance payments for each month of the quarter (April to June 2017). On August 27, 2018, the City received the True Up payment for the same quarter. In prior years,

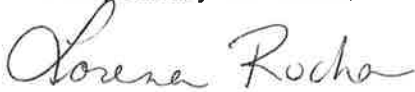
the final true up payments were received in the month of September. However, for the current year, the State has notified all Cities and Counties that true up payments for the final quarter of the fiscal year will now be received in August. This allows us to record the payment (through an accrual) in the actual year the revenue was earned. Total revenues received for FY2017-18 are \$11,096,607.11, over \$1 million more than the original projected amount of \$10,000,000.

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 FY2017-18 will be reserved according to the allocation plan for future use.

Please see Attachment 1 for details on revenues, expenditures and ending available balances.

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Lorena Rocha".

Lorena Rocha
Finance Director

Attachment(s):

1. General Fund – Revenue and Expenditure Report

Measure U Spending Summary For Fiscal Year 2017-2018

REVENUES	Budget	Actual
Estimated Revenue	\$ 10,000,000	\$ 11,096,607
Fire Share-1/3	\$ 3,333,333	\$ 3,698,869
Police Share-2/3	\$ 6,666,667	\$ 7,397,738

Fire Spending Plan:

Revenue	\$ 3,333,333	\$ 3,698,869
<u>Expenditures</u>		
Personnel	\$ (1,298,600)	\$ (1,298,206)
Professional/Specialized Services	\$ (47,400)	\$ (47,440)
Uniforms & Safety Equipment	\$ (11,951)	\$ (11,951)
Major Machinery and Equipment	\$ (114,721)	\$ (114,721)
Internal Services (City Attorney/Liability Ins)	\$ (79,700)	\$ (79,700)
Total	\$ (1,552,372)	\$ (1,552,018)
Available Fund Balance (FY2017/2018)		\$ 2,146,851
Plus prior year Fund Balance carryover		\$ 454,805
Total Fund Balance Carry forward for future use:		2,601,656

Police Spending Plan:

Revenue	\$ 6,666,667	\$ 7,397,738
<u>Expenditures</u>		
Personnel	\$ (4,247,700)	\$ (2,758,025)
Telephone/Communications	\$ (1,493)	\$ (1,493)
Office Supplies & Materials	\$ (14,162)	\$ (14,162)
Contracts	\$ -	\$ -
Training & Education	\$ (40,333)	\$ (38,604)
Fuel		
Uniforms & Safety Equipment	\$ (91,095)	\$ (91,095)
Professional/Specialized Services	\$ (98,873)	\$ (98,873)
Major Machinery & Equipment	\$ (554,343)	\$ (554,343)
Internal Services (City Attorney/Liability Ins)	\$ (236,596)	\$ (236,596)
Total	\$ (5,284,594)	\$ (3,793,191)
Available Fund Balance (FY2017/2018)		\$ 3,604,547
Plus prior year Fund Balance carryover		\$ 753,914
Total Fund Balance Carry forward for future use:		4,358,461