



**APPROVED BY
CITY MANAGER**

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM: OFFICE OF THE CITY MANAGER
BY: JOHN OSKOU, P.E., ASSISTANT CITY MANAGER**

DATE: JANUARY 22, 2019

SUBJECT: MEASURE S SEMI-ANNUAL REPORT

RECOMMENDATION

It is recommended that the City Council receive and file the Measure S Semi-Annual Report, as submitted by the Measure S Independent Citizens' Oversight Committee.

BACKGROUND

Measure S included a requirement that an advisory committee be created to review, on a quarterly basis, the City's expenditure and revenues generated by Measure S. On June 28, 2017, the City Council adopted Resolution No. 16-7657 establishing the Independent Citizens' Oversight Committee.

The Citizens' Oversight Committee is comprised of five Downey residents appointed by the City Council from each of the five Council districts. Appointed members include Chairperson David R. Gafin, Vice Chairperson Mario A. Guerra, Members Donald LaPlante, Dorothy Pemberton, and Claudia Frometa. As a result of the election of Claudia Frometa to the City Council in November 2018, this seat became vacant and was recently filled by Carmela Uva, who was appointed to the committee on January 8, 2019.

DISCUSSION

The Independent Citizens' Oversight Committee has held meetings on April 11, July 11, and October 30, 2018. City Staff has provided Committee Members with updates on expenditures for public safety personnel and equipment, as well as a status on the various parks and facilities improvement projects.

The Independent Citizens' Oversight Committee has completed a comprehensive review of financial reports detailing the revenues and expenditures of Measure S funds. The attached Measure S Annual Report (Attachment A) includes the Committee's findings regarding the use of Measure S funds.

CITY COUNCIL PRIORITIES

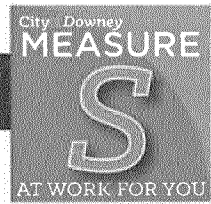
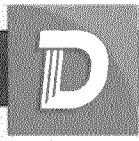
Fiscal Responsibility
Efficiency & Adaptability
Quality of Life, Neighborhood & Infrastructure

FISCAL IMPACT

There is no fiscal impact associated with this report.

ATTACHMENTS

Attachment A: Measure S Semi-Annual Report



MEASURE S SEMI-ANNUAL REPORT

Measure S

Measure S, an increase of ½ percent to the transactions and use tax, was approved by 63% of Downey voters in November 2016 and went into effect on April 1, 2017. Measure S is expected to generate approximately \$9 million per year to protect and enhance the quality of services to the community. Measure S spending is focused on enhancing public safety, as well as improving City parks and facilities. The Measure expires in 20 years and cannot be renewed without voter approval.

Independent Citizens' Oversight Committee

Measure S included a requirement that an advisory committee be created to review on a quarterly basis, the City's expenditure and revenues generated by Measure S. This review is to oversee that Measure S funds are being utilized in accordance with the City Council's directives as to usage of such funds. On June 28, 2017, the City Council adopted Resolution No. 16-7657 establishing the Independent Citizens' Oversight Committee.

The Citizens' Oversight Committee is comprised of five Downey residents appointed by the City Council from each of the five Council districts. Appointed members include Chair David R. Gafin, Vice Chair Mario A. Guerra, Members Donald LaPlante, Dorothy Pemberton, and Claudia Frometa. As a result of the election of Claudia Frometa to the City Council in November 2018, this seat became vacant and was recently filled by Carmela Uva who was appointed to the committee on January 8, 2019.

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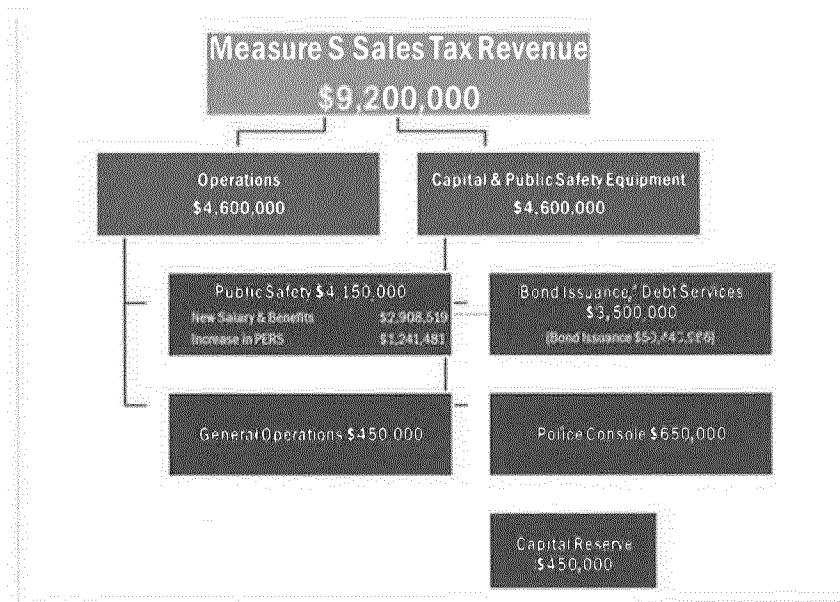
Measure S Revenues and Expenditures

The Independent Citizens' Oversight Committee has completed a comprehensive review of financial reports detailing the revenues and expenditures of Measure S funds.

Revenues

Measure S funds are collected by businesses and remitted to the State Board of Equalization (BOE), similar to other sales taxes. The BOE then sends these funds to the City. A total of \$11,258,330 in Measure S payments from the BOE have been received by the City from April 1, 2017 through June 30, 2018. Approximately \$9.2 million is expected in sales tax revenue from Measure S for the 2018-2019 fiscal year.

Expenditures



The City has budgeted \$9.2 million for the 2018-2019 fiscal year in revenue and expenditures as follows: \$4.6 million will be spent for operations, which includes \$4.1 million for Public Safety and \$450,000 for General Operations.

The City has hired a total of 22 new Police and Fire positions to enhance public safety services. These positions include:

- | | |
|--------------------------------|----------------------------------|
| 10 Police Officers | 1 Fire Captain |
| 2 Parking Enforcement Officers | 1 Ambulance Operator Coordinator |
| 1 Safety Dispatcher | 6 Ambulance Operators |
| 1 System Network Engineer | |

The addition of these new positions will help ensure quick response times to Downey emergencies, as well as enhance police services to support crime prevention programs.

So far, the City has purchased 160 new portable and 61 new mobile radio units to replace the existing obsolete units for the Police Department and Code Enforcement Division. In addition, an upgraded software system for existing radios was purchased, as well as 11 additional M5 Coban video mobile data computers, and new dispatch radio consoles. This new, updated equipment will provide the Police Department with the best possible radio communications available. The City will also be purchasing seven (7) new police vehicles for a cost of approximately \$545,370.

Additionally, \$4.6 million will be spent on Capital & Public Safety Equipment (\$3.5 million for debt service, \$650,000 on Police Department's communications equipment,

and \$450,000 for capital reserve). The City issued a \$50 million bond to finance Measure S capital improvement projects.

As of November 30, 2018, the City has completed approximately \$2.6 million in infrastructure improvements funded by Measure S.

Summary

The Independent Citizens' Oversight Committee has verified that Measure S funds have been used to enhance the quality of services within the community. During this reporting period, funds have been spent on the hiring of public safety personnel, purchasing of Police and Fire Department equipment, and design and construction work for City parks and facilities.

The Citizens' Oversight Committee understands the passage of Measure S represents a trusted investment by Downey residents. We believe Measure S funds are being used as intended for the betterment of the Downey community. During the review period, City staff has been cooperative and helpful to the Citizens' Oversight Committee.

The Citizens' Oversight Committee looks forward to the continued completion of City parks and facilities improvement projects in the coming years.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Gafin", with a horizontal line extending to the right.

David R. Gafin, Chair
Independent Citizens' Oversight Committee