



"A City That Works"

City Council Meeting

AGENDA ITEM NO. I. 2.

DATE: 11/17/2020

TO: Honorable Mayor and City Council Members

SUBJECT: Consideration of Ordinance No. 2916 - An ordinance of the City of Redlands adding Chapter 2.72 to the Redlands Municipal Code relating to the Establishment of a Citizens' Measure T (2020) Advisory Committee (Oversight Committee) (Management Services/Finance Director Garcia)

MOTION(S):

If the City Council determines that staff's recommendation is appropriate, the following motions are provided:

Mayor requests the City Clerk read the title of Ordinance No. 2916.

"I move to waive further reading of, and to introduce, Ordinance No. 2916.

RECOMMENDATION:

Staff recommends that the City Council introduce Ordinance No. 2916.

DISCUSSION:

On June 16, 2020, the City Council voted unanimously to introduce Ordinance No. 2913, with second reading scheduled on July 7, 2020, adding Chapter 3.18 to the Redlands Municipal Code, enacting a One-Cent General Transactions and Use Tax for possible submission to the voters of the City of Redlands for the November 2020 General Election; and approved the first review of a resolution placing the sales tax ordinance on the November 2020 General Election ballot.

Subsequently, on July 7, 2020, the City Council unanimously approved Resolution No. 8111, ordering the submission of an ordinance proposing a One-Cent General Transaction and Use Tax to the qualified voters at the November 3, 2020, General Municipal Election; and approved the second reading of Ordinance No. 2913, adding Chapter 3.18 to the Redlands Municipal Code, enacting a One-Cent General Transactions and Use Tax.

The proposed addition to the municipal code includes a provision for a citizens' advisory

committee:

3.18.150. Citizens' Financial Advisory Committee

A Citizens' Advisory Committee (the "Committee") shall be established by the City Council for the purpose of providing independent advisory review of revenues generated by the Transactions and Use Tax. The Committee shall meet at least once each calendar year, and all meetings shall be subject to the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).

Staff has compiled research on other cities' approaches to the formation of similar committees. This research has revealed that generally, most committees are retrospective in nature in that they are only tasked with the review of authorized expenditures and that the authority to appropriate funds remains with the City Council. The most common duties of such committees include: the review of financial reporting information, issuance of an annual report, and a focus on 'budget to actuals'.

Staff has taken this research and drafted Ordinance No. 2916 to include the recommendations below as a starting point for consideration on the structure of the committee.

Membership

The Citizens' Measure T Advisory Committee (Committee), which shall also be known as the Measure T Oversight Committee, shall consist of seven (7) members. One (1) member shall be appointed by each City Council member from their corresponding Council district with the approval of the City Council and two (2) members shall be selected from employee bargaining units and appointed by the Mayor with the approval of the City Council: one (1) from the four (4) public safety employee bargaining units (RPFA, RPOA, RASME, RAFME) on a rotating basis each fiscal year between the Police and Fire Departments, and one (1) from the City's other five (5) non-public safety bargaining units, on a rotating basis each fiscal year. The City will encourage residents to apply for the five non-employee positions on the Committee and an application for interested parties will be posted to the City's website.

Organization and Meetings

The Committee, at its organizational meeting, shall elect a Chairman for one (1) year and other officers as it may deem advisable. The Committee shall make necessary rules and regulations as are necessary to fulfill its obligations and duties. All meetings of the Committee shall be publicly noticed and held in accordance with law. Four (4) members of the Committee shall constitute a quorum.

Powers and Duties

The Committee shall advise the City Council regarding the use of transactions and use tax revenue according to the priorities set forth in each fiscal year adopted budget. The duties of the Committee shall include the following:

- Review, on an annual basis, the City's expenditure of revenues received from the 1% transactions and use tax (TUT) imposed by Measure T;
- Act in an advisory capacity to the City Council in all other policy matters pertaining to Measure T funds;
- Present an annual written report to the City Council, which shall include a

summary of the committee's proceedings and activities during the most recent review period. The annual written report shall also include, but not limited to, a response to the following questions.

- Does the current audited financial information reflect that Measure T revenue was collected and appropriately spent in accordance with the City's corresponding fiscal year budget plan?
- Does the City's most recently adopted general fund budget promote and maintain the City's core services, including public safety?"

The report will also be posted on the City's website.

The establishment of this Committee is consistent with the Ordinance approved by City Council on July 7, 2020, and reflects the City Council's commitment to work with the community in advancing its priorities.

Should the Council direct staff according to the recommendations above, a tentative timeline is proposed below:

- January / February 2021: establish application process
- March 2021: City opens applications for Committee membership
- April/May 2021: Possible Council action for appointment of Committee members
- July 2021: tentative initial meeting of the Committee (after adoption of the new fiscal year budget)

ALTERNATIVES:

The Council may choose to modify, reject, or table the item to a future date.

STRATEGIC PLAN:

Objective A-1:

Enhance fiscal and operational practices to support fiscal stability, transparency and data-driven decisions

Objective A-3:

Implement Financial Planning Tools

SUBMITTED BY:

Danielle Garcia, Management Services/Finance Director

RECOMMENDED BY:

Charles M. Duggan Jr., City Manager

REVIEWED BY:

Daniel J. McHugh, City Attorney

Janice McConnell, Assistant City Manager

Fiscal Impact

Fiscal Year: FY 2021

Discussion:

There is no specific impact the City's General Fund with the first reading of Ordinance No. 2916. If adopted, the required staff support for the Committee's proceedings is anticipated to be somewhat significant, but manageable.

Attachments

Ordinance No. 2916 Establishing Citizens' Measure T Advisory Committee
