



Measure L Citizens Oversight Committee

March 17, 2021

Measure L Citizens Oversight Committee

6932. Citizens Oversight. The City Council shall appoint a Citizens Oversight Committee to review revenues generated pursuant to this Chapter, and the expenditure thereof, as part of the City's budget preparation process.

Committee's Mission: To provide additional transparency through oversight of Measure L by reviewing revenues and expenditures generated by the measure.

Measure L Community Messaging

- *If approved by Lakewood voters, Measure L will provide the funds to support essential services that protect our quality of life, including Sheriff's patrols...keeping our roads and parks in good condition...supporting our youth and senior programs... and other services that ensure Lakewood continues to be a great place to live, do business and raise a family.*
- Specifically with infrastructure needs, Measure L will provide the funds to begin addressing the backlog of repair needs, before they get worse, pose a greater safety hazard, and cost more to fix in the future.

Measure L COC Sequence of Meetings

- This Committee is scheduled to meet twice a year to coincide with the timing of the city's budget adoption process (August/September) and the release of the Comprehensive Annual Financial Report (March/April)
- A budget is a plan for a future fiscal period, typically a year, primarily showing how tax revenue will be allocated; a CAFR contains the actual results of the prior year's financial activities

Oversight of this Committee

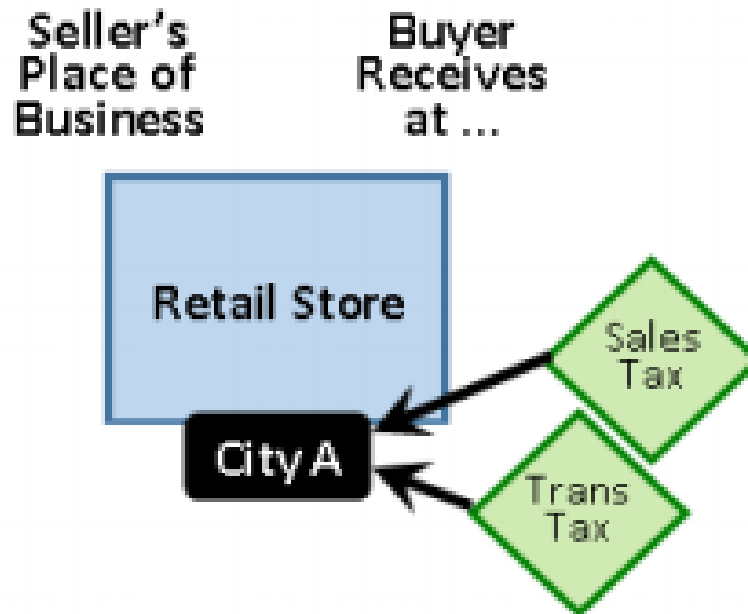
- In a nutshell, this Committee's charge is to ensure that the City is keeping its word about how revenue from Measure L is being spent commensurate with the promise that was made to the public.
- Is the City being good financial stewards of the public's money?

How Does Sales Tax Revenue Work?

- **Two Types:**
 - 1) Bradley-Burns / “Brick and Mortar” / Basic Sales Tax**
 - 2) Transaction Tax (Measure L)**

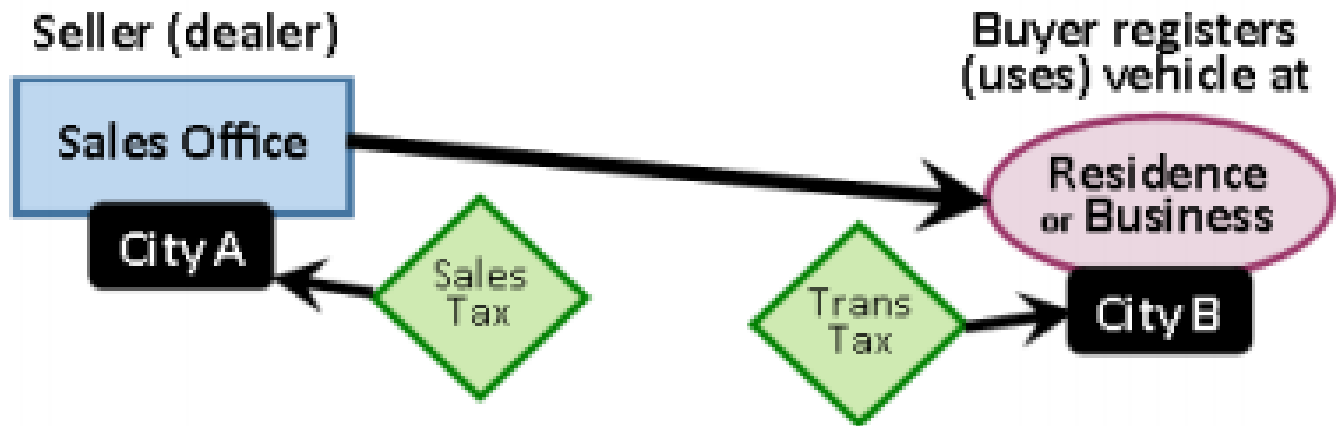
Basic Retail Sale Transaction

Fig1: Typical "Over the Counter" Transaction



Vehicle / Online Purchase

Fig2: Dealership Automobile Sale



City Budget vs. City CAFR

■ Budget

- City's spending plan based on the City Council's priorities and available revenues to the city.
- Highly flexible in presentation of information
- Two-Year budget passed in June 2020

■ CAFR (Comprehensive Annual Financial Report)

- Financial report with actual results of the year's activity
- Includes audit & opinion by an independent CPA firm
- Highly structured presentation of information
- Presented to City Council in December 2020

FY 2019-20: Financial Performance

- Projected: \$4.3 million deficit in Gen Fund
- Actual: \$171,000 surplus
- Reserves: \$21.2 million available
- Capital Improvement Projects (CIPs): \$3 million
- Revenues: \$3.5 M more than estimated
 - Sales Tax / Investments / Prop Tax / Building Permits
- Expenditures: \$1.7 M less than estimated
 - Salaries / Contract Services / Events / Utilities

FY 2020-21: General Fund Midyear Budget Review

	ADOPTED BUDGET		REVISED BUDGET		FAVORABLE / (UNFAVORABLE)
SOURCES / REVENUES	\$	58,897,248	\$	59,734,323	\$ 837,075
USES / EXPENDITURES		57,375,441		57,524,045	(148,604)
PROJECTED SURPLUS	\$	1,521,807	\$	2,210,278	\$ 688,471

Sales Tax Revenue History

FY 2007 to FY 2022

(in millions of \$)



*Estimate

Measure L Sales Tax Revenue

(In Millions of \$)

