

CITY OF STOCKTON, CALIFORNIA
MEASURE A ADVISORY COMMITTEE
BY-LAWS

October 23, 2014

BACKGROUND:

On November 5, 2013, the citizens of Stockton approved Measure A, a ¾-cent general sales tax measure, effective April 1, 2014. The citizens of Stockton also approved Measure B, an advisory measure. Measure A as approved by the citizens of Stockton and the accompanying advisory Measure B as approved by the citizens and supported by City Council action February 25, 2014, are recorded in the General Fund of the City as appropriate of a general sales tax measure. All associated revenue and expenditures are maintained in the City of Stockton General Fund although not necessarily in distinctive accounts or separate departments or divisions.

Included in the Ordinance for this measure is a seven-member Citizens' Advisory Committee, hereafter referred to as the 'Committee', appointed by the City Council, which shall meet at least annually for the general oversight of expenditures and revenues generated by the tax imposed by this Ordinance and to make recommendations to the City Council regarding those expenditures.

In addition, the City Council approved a Charter for the general objectives and duties of the Committee. The Committee shall serve as the single statutory oversight committee for Measures A and B.

MISSION AND PURPOSE

These By-Laws establish the responsibilities and processes to be used by the Committee in compliance with Ordinance 2013-07-09-16-1, hereafter referred to as 'Ordinance' and the City of Stockton Transaction and Use Tax Ordinance Citizens' Oversight Committee Charter, hereafter referred to as 'Charter'.

The mission of a strong and independent Committee is to oversee the expenditure of revenues generated by Measure A and to make recommendations to the City Council regarding those expenditures as set forth in Measure B.

The intent of the voters was established in the Measure B ballot language: "(i) 65% of (the proceeds of the Measure A tax) be used only to pay for law enforcement and crime prevention services in the City such as those described in the City's Marshall Plan on Crime and (ii) 35% of its proceeds be used only to pay for the City's efforts to end the bankruptcy and for services to residents, businesses and property owners." The

Marshall Plan on Crime includes the City's stated objective of hiring 120 additional sworn police officers by June 30, 2017.

APPLICABLE RULES

The Committee will have seven qualified members and a prescribed term of office, will meet at least quarterly to review the expenditure and revenues generated by this Transaction and Use Tax (general sales tax), will be given pertinent information to review the revenues and expenditures, will report their recommendations and findings to the City Council as required by ordinance, will inform the public as appropriate, and will operate using Rosenberg's Rules of Order and standards of ethics.

The following provides more details.

1) Appointments

The City Council shall make appointments to the Committee by resolution. The Committee shall be composed of seven members.

2) Qualification Standards

To be qualified a person must be at least 18 years of age and reside within the City's geographic boundary. The Committee may not include any employee or official of the City, or any vendor, contractor or consultant doing business with the City.

3) Conflicts of Interest

By accepting appointment to the Committee, each member agrees to comply with Articles 4 (commencing with Section 1090) and 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code and the Political Reform Act (Gov. Code §§ 81000 et seq.), and to complete the Form 700 as required by all "designated employees" of the City. Additionally, each member shall comply with the Committee Ethics Policy which is presented in paragraph 13, below.

4) Term

Each Committee member shall serve for a term of service concurrent with the City Council member making the nomination.

5) Chair

The Committee shall annually elect a chair and a vice-chair who shall act as chair only when the chair is absent, and whose duties shall be consistent with Rosenberg's Rules of Order. Any item supported by two members is sufficient to insure it is on the next agenda.

Duties of the chair include:

- Scheduling meetings well in advance
- Seeking information from City staff when necessary
- Scheduling reporting deadlines
- Developing agendas
- Distributing materials in a timely manner, and
- Following up with requests made to City staff.

6) Compensation

Committee members shall not be compensated for their services.

7) Informational Materials

At least quarterly, financial reports – including proposed Budgets and Actuals with detailed supporting schedules will be sent to each Committee member. The reports will show revenue generated by Measure A, detailed line-item expenditures as presented in the annual budget relative to Measure B (public safety), and all other uses of remaining Measure A funds and State Board of Equalization reports. Because Measure A was approved by the citizens of Stockton as a general sales tax, all revenues and expenditures will be included in the General Fund of the City, meaning that these proceeds will support certain general operations of the City as identified in the Ordinance and not necessarily in distinctive accounts or separate departments or divisions.

8) Meetings

- a) The Committee shall conduct an annual meeting with the City/independent auditor and City staff, each year within 60 days following the audit of the prior fiscal year's books. The purpose of the annual meetings is for Committee members to review the expenditures of Measure A proceeds and the audits, as attested by the City/independent financial auditor, to ensure that tax proceeds are expended for the purposes set forth in the applicable Measure A and B ballot language. The annual meeting will also include the task of adopting an annual report of their findings for presentation to the City Council.
- b) In accordance with the Charter, the Committee will meet at least one additional time to review budgets for Measure A revenues and Measure B (public safety) expenditures before the City Council's public sessions on the upcoming annual budget.
- c) Special meetings may be called by the City and/or Committee when additional information relative to Measures A and B is available. Special meetings may

also be called by Committee members if a majority of the members petition the chair for a special meeting.

- d) All meetings shall be held in the Stockton City Council Chambers or another room having space for the public to attend.
- e) All meetings shall be open to the public in accordance with the Ralph M. Brown Act, Government Code Section 54950 et seq. Each member of the Committee will be given a current copy of the Ralph M. Brown Act.
- f) A majority of the Committee members shall constitute a quorum for the transaction of any business.
- g) Except as otherwise provided by adopted Committee policies, City Council Policy, or applicable law, meetings shall be conducted in accordance with Rosenberg's Rules of Order,

The minutes of the Committee meetings shall be provided to the City Council and placed on the next available regular Council meeting agenda thereafter.

9) Authorized Activities

- a) Review copies of financial reports that provide revenue and expenditures of Measures A and B.
- b) Receive and review copies of the City's annual independent audit which is required by the Ordinance.
- c) Observe Public Safety Marshall Plan activities for which tax proceeds have been or will be expended, in accordance with access procedures established by the City Manager.
- d) The Committee will review the sunset provisions, its applicability and whether the City has supporting evidence and appropriate findings as outlined by the Ordinance. The Committee may make recommendations regarding the sunset provisions to the City Council in a public session before the action is taken to sunset or extend the tax.
- e) Committee members shall not have the authority to direct staff of the City.
- f) Individual members of the Committee retain the right to address the City Council, either on behalf of the Committee or as an individual.

Annually the Committee will submit a report to the City Council, in public session, with the results of their work including the elements listed below. The report will also be made available to the public.

A statement indicating whether the City is in compliance with the purposes set forth in the applicable ballot measures with respect to the tax proceeds;

A review of Measure A tax revenues and related uses of funds to verify that amounts collected were expended for the purposes set forth in the applicable ballot measure and City Council direction;

A review of the City's progress in implementing the goals and objectives of the Marshall Plan on Crime, including the hiring of 120 additional sworn police officers and public safety support staff by June 30, 2017; and

A written summary of the Committee's proceedings, activities, recommendations to the Council and responses by the Council for the preceding year.

The City will propose a budget for the Measure A sales tax revenues and related uses of funds for the upcoming fiscal year which will be presented to the Committee members before City Council consideration and approval of the City's annual budget. The Committee will consider the proposed budget in accordance with all City rules, regulations and policies and may make recommendations regarding the proposed budget for Measures A and B to the City Council in a public session.

10) Vacancies and Removal

- a) The City Council shall fill any vacancies on the Committee.
- b) The City Council may remove any Advisory Committee member for any reason, including failure to attend two consecutive Committee meetings without reasonable excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant.

11) The City shall provide to the Committee necessary technical and administrative assistance as follows:

- a) Preparation of and posting of public notices as required by the Brown Act ;
- b) Ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the City Council;
- c) Providing of a meeting room, including any necessary audio/visual equipment;
- d) Preparing and copying documentary meeting materials, such as agendas and reports;
- e) Retaining all Committee records, and providing public access to such records on an Internet website maintained by the City; and

- f) Providing appropriate staff to all Committee proceedings and answering questions relative to Measures A and B.

12) Termination

The Committee shall automatically disband if the enabling ordinance is revoked.

13) Citizens' Advisory Committee Ethics Policy Statement

This Ethics Policy Statement provides general guidelines for Committee members to following carrying out their roles. Not all ethical issues that Committee members face are covered in this Statement. However, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Statement were developed from existing laws, rules, policies and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

- a) Conflict of Interest. A Committee member shall not make or influence a City decision related to any City purchase or contract which will benefit the committee member's outside employment, business, or a personal finance or benefit an immediate family member, such as a spouse, child or parent.
- b) Outside Employment. A Committee member shall not use his or her influence over a Committee matter to negotiate future employment with any person or organization that relates to a City purchase or contract. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the City that, as a Committee member, he or she participated in personally and substantially.
- c) Commitment to Uphold Law. A Committee member shall uphold the federal and California Constitutions, the laws and regulations of the United States and the State of California and all other applicable government entities, and the charter, policies, procedures, rules and regulations of the City.

Adopted October 23, 2014