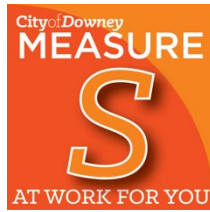




2024 Annual Report - UPDATE



The Measure S Independent Citizens' Oversight Committee prepares an Annual Report to the community with its findings regarding the use of Measure S funds. This is Report of the Citizens' Oversight Board and covers four periods: FY July 1, 2020-June 30, 2021, FY July 1, 2021 - June 30, 2022, FY July 1, 2022-June 30, 2023, and FY July 1, 2023 - June 30, 2024.

Measure S Background

Measure S, a ½ percent supplemental transactions and use tax, was approved by 63% of Downey voters in November 2016 and went into effect on April 1, 2017. Measure S generates approximately \$10-12 million per year to protect and enhance the quality of services to the community. The Measure expires in 20 years and cannot be renewed without voter approval.

Independent Citizens' Oversight Committee

On June 28, 2016, the Downey City Council adopted Resolution No. 16-7657 establishing the Independent Citizens' Oversight Committee. The role of the Independent Citizens' Oversight Committee is to review the revenues and expenditures of Measure S funds; review independent financial audits and City financial reports; and issue an annual report.



The Citizens' Oversight Committee is comprised of five Downey residents. Each was nominated by a member of the City Council. The Citizens' Oversight Committee includes Chair Mario A. Guerra (District 5), Vice Chair Carrie Uva (District 4) and Committee members Cesar Ortiz (District 1), Beth Gendreau (District 2), and Rebecca Reyes (District 3). The Citizens' Oversight Committee holding meetings at Downey City Hall. Meetings are open to the public, and agendas and minutes are posted and available on the City's website at downeyca.org.

Committee meetings have been held on August 5, 2020, November 12, 2020, August 18, 2021, September 14, 2022, and August 14, 2024.

Lease Revenue Bond

In fall 2017, the City's public financing authority approved the issuance of \$50.44 million in lease revenue bonds, to be repaid over the course of 20 years with revenues derived from the approval of Measure S. The bond proceeds were used to fund capital improvements of City fire stations and park facilities and amenities. The park improvements were identified as part of the 2016 Downey Parks and Open Space Master Plan where the community prioritized needed improvements at City park facilities.

The lease revenue bond allowed the City to expediate facility improvements as opposed to completing them over the course of the Measure's 20 years. Additionally, as part of the Bond purchase, the City had to expend 85% of the proceeds in 3 years from the time of issuance and submit a notice of completion. The City met this obligation through the holistic and collaborative efforts of all City Departments.

The payback of the lease revenue bond occurs over the 20-year course of Measure S based on a payment schedule provided by the bond issuer.

Annual Independent Audit

The City’s annual financial audit was conducted by an independent accounting firm, Lance, Soll, and Lunghard, LLP for Fiscal Years: *July 1, 2020-June 30, 2021; FY July 1, 2021 - June 30, 2022; and FY July 1, 2022-June 30, 2023* during this reporting period. Additionally, since the August 2024 Report presentation to the City Council, Lance, Soll, and Lunghard, LLP conducted its audit of the FY July 1, 2023-June 30, 2024 report. These reports were provided to the Independent Citizens’ Oversight Committee.

Lance, Soll, and Lunghard, LLP completed the FY 2023-2024 audit report of the City’s Annual Comprehensive Financial Report (ACFR), and stated that the City complied “in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City.” The report also indicated that the audit did not identify any deficiencies in the internal control over compliance that is considered to be material weakness.

As part of the FY 2023-2024 ACFR, the City incorporated a separate Independent Auditor’s Report on Compliance and on Internal Control Over Compliance specifically for the City’s Transactions and Use Tax - Measure S to further enhance transparency regarding the use of these monies. The auditor’s concluded that the City “complied, in all material respects, with the type of compliance requirements” of Measure S. This report will be included as part of the ACFR moving forward.

The 2023-2024 ACFR along with Previous fiscal year ACFRs can be located on the City’s website: www.downeyca.org/ACFR.

Revenues and Expenditures

Revenues

Measure S transactions and sales tax funds are collected by businesses and remitted to the California Department of Tax and Fee Administration (CDTFA) similar to other sales taxes. The CDTFA then sends these funds to the City.

Below is a breakdown of the Measure S funding received from the CDTFA thus far:

Fiscal Year	Revenues
2016 - 2017	\$2,105,814
2017 - 2018	\$9,154,047
2018 - 2019	\$10,384,356
2019 – 2020	\$9,937,001
2020 – 2021	\$11,192,501
2021 – 2022	\$12,420,549
2022 – 2023	\$12,864,841
2023 – 2024	\$12,923,124

A total of \$80,982,233 in Measure S payments from the CDTFA has been received by the City since April 1, 2017.

Expenditures

The chart below identifies expenditures of Measure S funding from the CDTFA for each fiscal year.

Fiscal Year	Public Safety Personnel	Public Safety Equipment	Facility Improvements	Facility Improvements (\$50.8 Million Revenue Bond)	Repayment of Lease Revenue Bond	Public Safety – Public Liability Insurance	Public Safety UAL Benefits (Prior to FY 22-23)	Total
17-18	\$996,175	\$691,795	\$314,061		\$1,025,425			\$3,027,456
18-19	\$1,507,644	\$3,436,584	\$9,452,042		\$3,580,312			\$17,976,582

19-20	\$1,821,119	\$1,600,923	\$40,687,491		\$3,464,604			\$47,574,137
20-21	\$2,443,767	\$1,349,984	\$9,780,074		\$3,459,204		\$7,493,742	\$17,033,029
21-22	\$2,826,447	\$1,670,209	\$282,878		\$3,451,079			\$ 8,230,613
22-23	\$4,317,539	\$3,187,244	\$141,761		\$3,446,850	\$650,000		\$11,743,394
23-24	\$4,181,427	\$3,136,957	\$283,428		\$3,441,225	\$627,465	\$822,162	\$12,492,664
Total	\$18,094,118	\$15,073,696	\$60,941,735	(\$50,440,000)	\$21,868,699	\$1,277,465	\$8,315,904	\$75,131,617

A total of \$75,131,617 has been expended from Measure S funds for Public Safety Personnel, Public Safety Equipment, Facility Improvements, Repayment of the City’s Lease Revenue Bond, and towards the City’s Liability Insurance. Below is a detailed summary of the Public Safety Personnel, Public Safety Equipment and Facility Improvements.

Public Safety Personnel

A total of 28 Public Safety positions have been funded by Measure S through FY 2023-2024. Of the 28, a total of 27 are new positions. Below is the breakdown of when those new positions were added to the City’s adopted operating budget. It should be noted that one Police Sergeant* was previously funded through Asset Forfeiture proceeds, and is now being funded by Measure S as the revenue from Asset Forfeiture is no longer sufficient to cover the full amount of the officer.

FY 17-18	FY 22-23	FY 23-24
Ambulance Coordinator	Motor Police Officer	PD Crime Analyst
Ambulance Operators - 6	Police Captain	Fire Building Inspector
Fire Training Captain	PD Safety Dispatcher	Police Sergeant*
Parking Enforcement Officers - 2		
Police Officers -10		
PD System Network Engineer		
PD Safety Dispatcher		
Total Positions	22	3

Public Safety Equipment

The following public safety equipment has been purchased with Measure S funds through FY 2023-2024:

FY 17-18	FY 18-19	FY 19-20
<ul style="list-style-type: none"> o Financial Software Upgrade o PD Motorola Radio communications o PD Dispatch Consoles 	<ul style="list-style-type: none"> o Patrol Vehicles - 7 o Police Motorcycle o Tactical Entry Gear o COBAN DVMS Server and Rimage DVD o Dell Server/ DNS-PDC o PD IT Staff Laptops o PD Interagency Communications o Wildland Fire Equipment o Replacement Fire Hose o Fire Confined Space Escape Air Bottles and Harnesses o Fire Search Camera 3000 o Fire Communications Improvements o Public Safety Scheduling System 	<ul style="list-style-type: none"> o PD Bearcat o PD Fleet – Enterprise Lease Vehicle Program o PD - Chevy Colorado Built & Ford Police Vehicle -10 o PD – Commline Legacy Radio o Fire Fleet – Enterprise Lease Vehicle Program o Fire Thermal Imaging Camera - 5 o Fire Ferno Stair Chair -2 o Fire Ferno Gurney and Defibrillator - 2 o FDM Win 6 RMS Transition o Fire Hazard Mitigation Plan o Public Safety Scheduling System

FY 20-21	FY 21-22	FY 22-23
<ul style="list-style-type: none"> ○ PD Fleet – Enterprise Lease Vehicle Program ○ PD - Vehicle Build Units - 10 ○ Public Safety Scheduling System 	<ul style="list-style-type: none"> ○ PD Fleet – Enterprise Lease Vehicle Program ○ PD - Parking Enforcement Built Needs ○ PD - Bear Cat Built Needs ○ Fire Fleet – Enterprise Lease Vehicle Program ○ Public Safety Scheduling System 	<ul style="list-style-type: none"> ○ PD Fleet – Enterprise Lease Vehicle Program ○ PD Vehicle - 1 ○ PD - PD Motorcycles -3 ○ PD Surveillance System and Security Cameras ○ PD Upgrade & Improve Network Infrastructure ○ PD Audio & Visual Equipment-Tyler Software Upgrade ○ PD - Trendway Workstations & Storage, Chairs ○ PD - First Responder Kits – 24 and Defibrillator - 22 ○ PD Desktop Computer – 24 ○ PD - Walk-in Freezer ○ PD – 8 Drones ○ Fire Ladder Truck #2 – Pre-Paid ○ Fire Fleet – Enterprise Lease Vehicle Program ○ Fire Portable Radio-10 & 2 Mobile Radio -2

FY 23-24
<ul style="list-style-type: none"> ○ PD Fleet – Enterprise Lease Vehicle Program & Maintenance ○ PD Surveillance System ○ PD Storage Array and Servers ○ PD – Dodge Durango – 8 ○ PD - Motorcycle – 1 ○ PD - Ford Explorer – 9 ○ PD – Ford Escape – 2 ○ PD – Enterprise Vehicles Purchased – 11 ○ FD – Ford Explorer - 1 ○ PD CAD, alerting platform, iPad cases ○ Fire Arial Vehicles and Battery-Operated Ventilation Fan ○ Fire – Mobile Computer Aided Dispatch Program ○ Fire Station Altering Platform ○ Fire Fleet – Enterprise Lease Vehicle Program & Maintenance ○ Fire Ladder Truck #1 (FY 21-22 Financed) Debit Service and Interest

Facility Improvements

As part of Measure S, a capital improvement program was implemented to modernize City facilities. These projects were primarily funded by the \$50.44 Million Lease Revenue Bond derived from the approval of Measure S. The remaining balance was funded directly by Measure S for a total of \$60.8 Million. The completed projects are listed in more detail on the following pages.



Fire Station No. 1



Fire Station No. 2



Fire Station No. 3



Fire Station No. 4

Four Fire Station Improvement Projects \$22.7 M - Station modernization through completion of Improvement to the interior spaces of the station, and reconstruction of pavement. Fire Stations 1 and 3 were completed in FY 2020-21. Fire Stations 2 and 4 were completed in FY 2021-22.

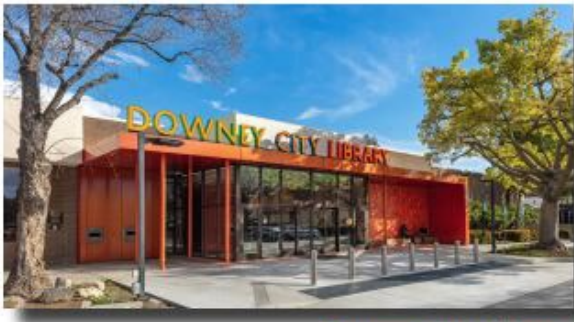
Apollo Park \$4.7M - Irrigation system replacement, turf renovation, synthetic field conversion, playground resurfacing, parking lot upgrades, ball field lighting, restroom renovation, and ADA improvements. Apollo Park was completed in FY 2019-20.



Dennis the Menace Park \$2.3M - Soil stabilization and grading, irrigation replacement, turf renovation, parking lot upgrades, and ADA improvements. Dennis the Menace Park was completed in FY 2019-20.



Library Renovation \$8M - Interior spaces reconfiguration, interior finishes replacement, books and data storage furniture, installation of energy efficient lighting, completion of ADA improvements, new doors and signage, as well as exterior painting of the building. Further, reconfiguration and enhancement of the area adjacent to the northwest of the Library through an attractive shade structure with a multi-color cover will provide added comfort for the patrons and create a more dramatic backdrop. The Downey Library was completed in FY 2020-21.



Golden Park \$3M - Community building improvements, ADA Accessible path of travel to new amenities, five (5) new picnic shelters include two (2) 48' HXE, one (1) 16'x24' and two (2) 24x34, rubberized surfacing at play area, one (1) 12x20 storage shed and a site built trash enclosure, ADA improvements in the parking lot, basketball court improvements include new basketball court surfacing, new basketball backboards/nets, 8' high chain link fence around basketball courts, baseball Field Improvements include 4' chain link homerun fence, two (2) new bleachers at baseball fields, and a decomposed granite trail. Golden Park was completed in FY 2020-21.





Independence Park \$1.8M - One (1) new detached restroom structure, four (4) restrooms (west of the northeast restroom building adjacent to the northern parking lot), removal of existing playground fall zone material and replace with rubberized surfacing, resurface eight (8) tennis courts, site built trash enclosure, and site furnishings (picnic tables, BBQs, benches, trash receptacles and drinking fountain). Independence Park was completed in FY 2019-20.

Discovery Sports Complex Park \$2.6M– Synthetic field conversion and ball field lighting installation. Discovery Sports Complex was completed in FY 2020-21.



Wilderness Park \$3.1M - A community building with restroom improvements, a new restroom building, ADA Improvements in the parking lot and accessible path of travel to new amenities, three (3) new picnic shelters include (1) 48' Hexagon (HXE), (2) 24'x34, rubberized surfacing at the play area, site built trash enclosure, and site furnishing (picnic tables, BBQs, benches, trash receptacles, and drinking fountain). Wilderness Park improvements were completed in FY 19-20, however, the City is currently renovating the ponds at Wilderness Park through the use of Rivers and Mountains Conservancy grant funds. Wilderness Park was completed in FY 2020-21.





Furman Park \$5.4M - Irrigation system replacement, turf renovation, parking lot upgrades, ball field lighting, bleachers/back stops, play fields, new picnic shelters, a tennis court upgrade, and community buildings upgrades. Furman Park was completed in FY 2020-21.

Downey Theatre Plaza and Courtyard \$2.9M– Installation of a circular fountain displaying a prominent sculpture, an information kiosk, seating/ conversation areas, art displays as well as an exterior elevator accessing the Theatre’s second floor. Theatre Plaza was completed in FY 2021-22.



Police Station \$2.6M – Police Station Modernization included new locker room, flooring, furniture, paint, and restrooms. Modernization improvements were completed in FY 2020-21.



Other Improvements \$1.8M - In addition to the projects listed above, Measure S was used to fund the Rio Hondo Event Center Improvements, which concluded in FY 19-20. Additionally, monies were used to improve the Public Works Yard, Downtown Parking Structure and other ancillary projects. These were completed in FY 2020-21 and FY 2023-24.



Conclusion

The Measure S Independent Citizens' Oversight Committee has verified that the Measure S funds used during the four reporting periods have been used as intended in the City of Downey.

The success of Measure S is dependent on a holistic approach, as all department staff members in the organization are collaboratively working to promote public awareness, support careful planning, accurate accounting, and transparent reporting.