



CITY OF NEWARK

Measure GG Oversight Committee

City Administration Building, City Council Chambers

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Minutes

Wednesday, June 2, 2021

6:00 P.M.

A. Call to order

Chair Lola called the meeting to order at 6:05 p.m.

Committee Members Macris, Marzano, Vice Chair Arteaga, and Chair Lola were present and participated via teleconference. Committee Member Peirera was noted absent.

B. Approval of October 21, 2020 minutes

The Committee concurred to approve the minutes.

C. PUBLIC COMMENT

No one requested to speak.

D. Review of Measure GG Revenues and Expenditures for fiscal year 2019-2020 and the draft Annual Report.

Finance Director Lee stated that the City received \$4.7 million in the fiscal year. This is net of the roughly \$2.8 million California Department of Tax and Fee Administration (CDFTA) misallocation errors over the last 5 quarters. She shared that in 2018 the CDFTA implemented two new tax collection systems that required tax clients to reregister their businesses. Many of the businesses registered into wrong categories causing the misallocation of funds. The City learned of the misallocation in 2020. In consultation with HDL, the City quantified the inflated revenue and placed it in a separate account until the CDFTA reconciles the issues.

Chair Lola expressed concern with the misallocation reference in the draft Annual Report. Vice Chair Artega suggested rewording the misallocation reference to a State Misallocation or some reference so it does not appear as a City misallocation.

Finance Director Lee stated that the Expenditures for the Civic Center Project for the Fiscal Year were \$31 million. The Civic Center Project is within budget and on schedule.

In response to Chair Lola's questions, Finance Director Lee will verify the Amazon Marketplace expense and provide a definition of bridging documents. She will also prepare a new description of the misallocation for the Annual Report.

No one from the public requested to speak.

Committee Member Macris moved, Committee Member Marzano seconded, to approve the draft Annual Report and authorized the Chair and Vice Chair to make edits to the Annual Report, without returning to the Committee, before the report is submitted to the City Council. The motion passed, 4 AYES, 1 ABSENT.

E. ADJOURNMENT

At 6:50 p.m. Committee Member Macris moved, Committee Member Marzano seconded, to adjourn the meeting. The motion passed, 4 AYES, 1 ABSENT.

Sheila Harrington, City Clerk