

January 27, 2026
Measure C Committee Regular Meeting – 6:00pm



City Council Chamber
390 Towne Centre Drive
Lathrop, California
(209) 941-7200
www.ci.lathrop.ca.us

Measure C Committee Members

Jim Hilson, Chair

Mansoor Fazel, Vice Chair

Cesar Albano

Gurpiar Sidhu

Padma Mariam

Staff

Stephen Salvatore, City Manager

Michael King, Assistant City Manager

Thomas Hedegard, Deputy City Manager

Salvador Navarrete, City Attorney

Cari James, Director of Finance

Todd Sebastian, Director of Parks and Recreation

Stephen Sealy, Police Chief

David Bramell, Fire Chief

Tanyashane Rillamas, Sr. Accountant

IMPORTANT NOTICE REGARDING THIS MEETING

This public meeting will be conducted in person; all members of the Measure C Committee will attend in person. Members of the public are welcome in person. This meeting will also be available for public participation by teleconference via ZoomGov at the following link:

<https://www.zoomgov.com/j/1617833864?pwd=5RckOib3kXSaMGqKa3k4TsF41SMo7d.1>

- During the meeting, those joining by ZoomGov, requesting to speak on an item will need to use the "raise hand" feature. Please ensure your computer speaker and microphone are fully functional.
- Meeting ID: 161 783 3864 / Passcode: 153915
- For audio only, call-in number: +1 (669) 254 5252. To request to speak (same as the "raise hand" feature) press *9 / when the host calls your name, press *6 to unmute.
- If you are not able to attend the meeting in person or virtually - public comment/questions will be accepted by email to Cari James, Finance Director and Measure C Committee Secretary at cjames@ci.lathrop.ca.us.
- Questions or comments must be submitted by 3:00 p.m., on the day of the meeting.
- To address the Measure C Committee in person, please submit a white card to the Measure C Committee Secretary indicating name, address, and number of the item upon which a person wishes to speak.

Measure C Committee Meetings are live-streamed (with Closed Captioning) on Comcast Cable Channel 97 and on the City's website at

<https://www.ci.lathrop.ca.us/citycouncil/page/live-stream>

Addressing the Measure C Committee

Any person may speak once on any item under discussion by the Measure C Committee after receiving recognition by the Chair. White speaker cards will be available prior to and during the meeting. To address the Measure C Committee, a card must be submitted to the Secretary indicating name, address and number of the item upon which a person wishes to speak. When addressing the Measure C Committee, please walk to the lectern located in front of the Measure C Committee. State your name and address. In order to ensure all persons have the opportunity to speak, a time limit will be set by the Chair for each speaker (see instructions on speaker form). In the interest of time, each speaker may only speak once on each individual agenda item; please limit your comments to new material; do not repeat what a prior speaker has said.

Citizen's Forum

Any person desiring to speak on a matter, which is not scheduled on this agenda, may do so under the Public Comment section. Please submit your white speaker card to the Secretary prior to the commencement of Public Comment, or submit your request to speak via the "raise hand" feature in ZoomGov. Only those who have submitted speaker cards, or have expressed an interest to speak, prior to the conclusion of Public Comment will be called upon to speak. Please be aware the California Government Code prohibits the Planning Commission from taking any immediate action on an item, which does not appear on the agenda, unless the item meets stringent statutory requirements. The Chair will limit the length of your presentation (see instructions on speaker form) and each speaker may only speak once on this agenda item.

Information

This agenda was posted at least 72 hours in advance of the scheduled meeting at the following locations: *City Hall, Community Center, Generations Center, Senior Center, and "J" Street and Somerston Fire Department Offices and the City website*. To obtain a hard copy of this agenda packet, please visit the Finance Department counter located at 390 Towne Centre Drive, Lathrop, CA 95330, or you may also call (209) 941-7320 to have it sent via mail or e-mail. The agenda packet is available on the "Agendas & Minutes" page of the City of Lathrop website, please follow the link: <https://www.ci.lathrop.ca.us/meetings>



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please call (209) 941-7320. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28CFR 35.102.35.104 AD Title II).

**CITY OF LATHROP
MEASURE C COMMUNITY OVERSIGHT COMMITTEE
AGENDA**

**REGULAR MEETING
TUESDAY, JANUARY 27, 2026 at 6pm
CITY COUNCIL CHAMBERS
390 TOWNE CENTRE DRIVE
LATHROP, CA 95330**

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. INFORMATIONAL ITEMS

- **Introduction of New Committee Member**
 - **Padma Mariam**

5. PUBLIC COMMENT

Persons who wish to speak to the Committee regarding an item that is not on the agenda may do so at this time. All public comment must be made in compliance with the Lathrop City Council Handbook of Rules & Procedures: Section P, Components of a Regular Meeting; Number 2, Public Communication.

6. CONSENT CALENDAR

6.1. Approval of Minutes

Measure C Community Oversight Committee, July 29, 2025

7. SCHEDULED ITEMS

- 7.1. Receive Fiscal Year End June 30, 2025 Measure C Financial Status Report**
- 7.2. Receive Fiscal Year-to-Date Measure C Financial Update as of December 31, 2025**
- 7.3. Set Next Meeting Date**

8. COMMENTS FROM STAFF

9. COMMENTS FROM THE MEASURE C OVERSIGHT COMMITTEE

10. ADJOURNMENT

Any writings or documents provided to a majority of the Measure C Community Oversight Committee regarding any item on this agenda will be made available for public inspection at the Lathrop City Hall located at 390 Towne Centre Drive, Lathrop during normal business hours.

Copies of this Agenda are available in the lobby at the Lathrop City Hall Finance Counter, 390 Towne Centre Drive, Lathrop, CA. This agenda was posted at least 72 hours in advance of the regularly scheduled meeting. Supplemental documents relating to specific agenda items are available for review in the Finance Department. This agenda was posted at the following locations: City Hall, Community Center, Senior Center and "J" Street Fire Department.

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility and/or accommodations to this meeting. [28 CFR 35.102-35.104 ADA Title II] Interested persons must request the accommodation at least 2 working days in advance of the meeting by contacting the Finance Department at (209) 941-7320. Information about the items scheduled on this Agenda may be referred to:

Address: Finance Director
City of Lathrop
390 Towne Centre Dr.
Lathrop, CA 95330
Telephone: (209) 941-7320

CITY OF LATHROP
MEASURE C OVERSIGHT COMMITTEE REGULAR MEETING
TUESDAY, JULY 29, 2025
6:00 P.M.
COUNCIL CHAMBERS
390 Towne Centre Drive
Lathrop, CA 95330

MINUTES

1. CALL TO ORDER – Committee Chair Hilson called the meeting to order at 6:00pm.

2. ROLL CALL - Present: Committee Chair Hilson
Committee Vice Chair Fazel
Committee Members: Albano and Sidhu

Absent: None

Staff Present: Assistant City Manager, Michael King; Deputy City Manager, Thomas Hedegard; City Attorney, Salvador Navarrete; Police Captain Richard Barries; Director of Parks and Recreation, Todd Sebastian; Fire Chief, David Bramell; Director of Finance, Cari James; Senior Accountant Tanyashane Rillamas

3. PLEDGE OF ALLEGIANCE – Committee Chair Hilson led the pledge of allegiance.

4. INFORMATIONAL ITEMS – None

5. PUBLIC COMMENTS - None

6. CONSENT CALENDAR

6.1 Approval of Minutes

On a motion by Committee Chair Hilson, seconded by Vice Chair Fazel, the Measure C Oversight Committee approved the minutes for the Regular Meeting of January 28, 2025 by the following votes:

Ayes: Albano, Fazel, Sidhu, Hilson
Noes: None
Absent: None
Abstain: None

7. SCHEDULED ITEMS

7.1 Review of Fiscal Year 2025/26 Measure C Budget

Director of Finance, Cari James provided the presentation. A question and answer session followed. Finance Director Cari James, Deputy City Manager Thomas Hedegard and City Attorney Salvador Navarrete provided information.

On a motion by Committee Chair Fazel and seconded by Committee Member Albano, The Measure C Oversight Committee found the Fiscal Year 2025/26 Measure C Budget in compliance with the appropriate use of Measure C funds by the following votes:

Ayes: Anderson, Albano, Fazel, Hilson
Noes: None
Absent: None
Abstain: None

7.2 Set Next Meeting Date

The next Measure C Oversight Meeting was scheduled for Tuesday, January 27 at 6:00 p.m. in the Council Chambers.

8. COMMENTS FROM STAFF

Assistant City Manager Michael King commented on the importance of Measure C funds to citywide projects and parks and thanked the committee for their work. Director of Parks and Recreation Todd Sebastian answered questions regarding the progress of the Mossdale Revitalization and Valverde Park. Fire Chief David Bramell gave an update on current operations and briefly discussed future expenditures. Police Captain Richard Barries thanked the committee and mentioned the importance of Measure C funding to police operations. Finance Director Cari James reminded the staff and committee about the vacant seat on the Measure C Committee. A question and answer session followed.

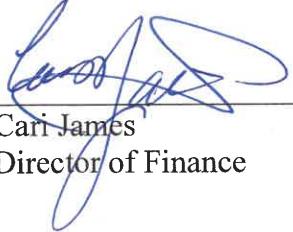
9. COMMENTS FROM MEASURE C OVERSIGHT COMMITTEE

Committee Chair Hilson commented on a recent city council meeting and questioned expenses being allocated from the General Fund as opposed to Measure C. Finance Director Cari James provided information. Committee Chair Hilson asked whether other groups or committees participated in the Christmas parade. Director of Parks and Recreation Todd Sebastian provided information.

10. ADJOURNMENT

There being no further business, Committee Chair Hilson adjourned the meeting at 6:34pm.

Any writings or documents provided to a majority of the Measure C Community Oversight Committee regarding any items on this agenda will be made available for public inspection at the Lathrop City Hall located at 390 Towne Centre Drive, Lathrop during normal business hours.



Cari James
Director of Finance

MEASURE C OVERSIGHT COMMITTEE**JANUARY 27, 2026****ITEM: 7.1****FISCAL YEAR END JUNE 30, 2025 MEASURE C
FINANCIAL STATUS REPORT**

RECOMMENDATION: **Receive Financial Status Report on Lathrop Public Safety and Essential City Services Transaction and Use Tax (Measure C) as of Fiscal Year Ending June 30, 2025**

DISCUSSION:

The Measure C Oversight Committee was established in association with the adoption of the Lathrop Public Safety and Essential City Services Transaction and Use Tax (Measure C). The primary responsibility of this committee is to review the expenditure of revenues collected to determine that the funds have been expended in accordance with the general purpose defined in the Measure.

The Council amended Fiscal Year 2024/2025 budget projected Measure C revenues to be \$10.35 million and expenditures to be \$10.27 million. At the end of the fiscal year, actual revenues received came in at \$10.43 million or 101% of budget. Expenditures at the end of the fiscal year came in under budget at \$9.74 million or 95% of budget. The unspent funds will remain within the Measure C Fund and will be reported in the ending fund balance and made available for future programs or projects.

In Fiscal Year 2024/2025, Measure C funded the following programs/projects:

- Public Safety
 - 9.5 Police Positions
 - 3.5 Sworn Officers
 - 1 Sergeant
 - 2 School Resource Officer
 - 1 Detective
 - 1 Lieutenant
 - 1 Crime & Intelligence Analyst
 - Funded Housing Assistance Program for Sworn LPD Staff
- Other Essential City Services
 - Parks and Recreation - Operation and Maintenance/Staffing of the Generations Center
 - Capital Improvement Projects
 - Lathrop High Pedestrian Signal
 - Historic Lathrop Beautification (50%)
 - Sangalang Park Shade Structure
 - Valverde Park Revitalization
 - Citywide Crime Deterrent Cameras

➤ **LMFD**

- 9 Firefighters
- 1.98 Line Battalion Chiefs
- 1 Deputy Fire Marshal
- Overtime to provide constant staffing at fire stations in the City of Lathrop
- Replacement of Self-Contained Breathing Apparatus (SCBA)
- Continue funding of Advanced Life Support (ALS)
- Funded payoff of fire engine at Fire Station 34
- Funded Housing Assistance Program for Sworn LMFD Staff

The financial implications associated with the recovering economy in a post-pandemic environment remain unpredictable. Due to this unpredictability an adequate fund balance will become more important than ever to accurately fund the current needs funded through Measure C. In October 2010, the City Council adopted a Fund Balance Reserve Policy that applies to all City funds. Establishing a Fund Balance Reserve demonstrates sound fiscal awareness and responsibility. Both the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO) recommend the establishment of a formal policy regarding fund balances as a method to manage the fiscal risk associated with a local public agency. The City's Reserve Policy states that the acceptable reserve balance range is 10% to 50% of expenditure, with a primary goal of 50%. In addition, the City has an Equipment Replacement Reserve Fund that is used for large equipment replacement purchases.

To stay consistent with the City's current Reserve Policy, the Measure C Committee established a reserve account of 25% of operating revenues for the Measure C Fund. The reserve fund balance as of June 30, 2025 is:

Reserve Fund (25% of Expenditures)	\$	761,288
Equipment Replacement	\$	235,000

After the establishment of the Reserve Funds, the ending fund balance of Measure C as of June 30, 2025, is:

Measure C: Essential City Services	\$	5,519,373
Measure C: LMFD	\$	1,088,923

Measure C revenue is based entirely on sales tax collected via taxable sales within the City. Sales Tax can fluctuate drastically depending on the local economy. At any time, a new business may come into the City or a business may close. Because of this volatility, the City has continued to be conservative with its budget projections.

REASON FOR RECOMMENDATION:

In association with the Adoption of the Lathrop Public Safety and Essential City Services Transaction and Use Tax Measure (Measure C), the Measure C Oversight

**MEASURE C OVERSIGHT COMMITTEE
JANUARY 27, 2026**

Page 3 of 3

Committee will meet semi-annually to review the expenditure of revenue collected pursuant to the Measure.

ATTACHMENTS:

A. Measure C: Essential City Services, Income Statement as of June 30, 2025

APPROVALS:



Cari James

Director of Finance

1/15/2026

Date

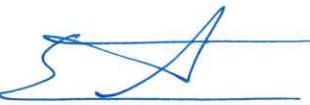


Thomas Hedegard

Deputy City Manager

1/21/2026

Date



Salvador V. Navarrete

City Attorney

1-21-2026

Date



Stephen J. Salvatore

City Manager

1-22-20

Date

Income Statement
 City of Lathrop
 Essential City Services
 Lathrop Public Safety and Essential City Services Transaction and Use Tax
 As of 06/30/2025 - Final Audited
 ATTACHMENT "A"

	<u>24/25 Adjusted</u>		<u>% of</u>
	<u>Budget</u>	<u>Year to Date</u>	<u>Budget</u>
Revenue			
Essential City Services	6,180,000	6,053,803	98%
Interest Essential City Services	50,000	317,861	
Lathrop Manteca Fire District	4,120,000	4,035,869	98%
Interest LMFD	18,896		
Total Revenue	10,350,000	10,426,428	101%
Operating Expenditures			
Essential City Services			
Salaries (Generations Center)	590,254	548,589	93%
Operation & Maint (Generations Center)	465,030	288,366	62%
Capital Improvements	3,105,834	2,917,930	94%
Intergov Contract Service (Police)	1,833,516	1,833,516	100%
Indirect Costs	156,350	156,350	100%
Total Essential City Services Expenditures	6,150,984	5,744,751	93%
40% Transferred to LMFD	4,120,000	3,992,727	
Not yet transferred			
HDL		1,235	
Total Lathrop Manteca Fire District	4,120,000	3,993,962	97%
Net Changes in Fund Balance			
Essential City Services	79,016	626,913	
LMFD	-	60,802	
Total Net Changes in Fund Balance	79,016	687,715	
Beginning Fund Balance			
Essential City Services	5,888,748	5,888,748	
LMFD	1,028,120	1,028,120	
Total Net Changes in Fund Balance	6,916,868	6,916,868	
Reserve Funds			
Essential City Services Fund Balance Reserve	(761,288)	(761,288)	
Essential City Services Equip Replace Reserve	(235,000)	(235,000)	
Total Reserve Fund Balance	(996,288)	(996,288)	
Ending Fund Balance			
Essential City Services	4,971,476	5,519,373	
LMFD	1,028,120	1,088,923	
Net Surplus (Loss)	5,999,596	6,608,295	

Prepared By: Cari James

1/15/2026 10:36 AM

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MEASURE C OVERSIGHT COMMITTEE
JANUARY 27, 2026**ITEM: 7.2****MEASURE C YEAR TO DATE FINANCIAL UPDATE AS OF
DECEMBER 31, 2025**

RECOMMENDATION: **Receive Financial Status Report on Lathrop Public Safety and Essential City Services Transaction and Use Tax (Measure C) as of December 31, 2025 and Find Proposed Expense in Compliance with the Intent of Measure C**

DISCUSSION:

The Measure C Oversight Committee was established in association with the adoption of the Lathrop Public Safety and Essential City Services Transaction and Use Tax (Measure C). The primary responsibility of this committee is to review the expenditure of revenues collected to determine that the funds have been expended in accordance with the general purpose defined in the Measure.

Measure C Language:

To preserve the City's long-term financial stability and maintain City and public safety services, including police patrols and fire protection; 9-1-1 emergency response; rapid response to gang violence, robberies and burglaries; park safety; youth/senior services; job creation and other City services, shall the City of Lathrop enact a 1 cent sales tax...

Fiscal Year 25/26 Budget

Currently, the City has received Sales Tax from the California Department of Tax and Fee Administration (CDTFA) through October 2025. To date, Measure C has generated approximately \$3.18 million or 33% of FY 25/2 projected revenue. Of the \$3.18 million received to date, 40% (or \$1.27 million) will be transferred to the Lathrop Manteca Fire District (LMFD).

Essential City Services

To date, for FY 25/26, Measure C: Essential City Services Fund has expended \$1.7 million or 20% of projected expenditures.

On July 29, 2025, the Measure C Oversight Committee found the following FY 25/26 Measure C proposed programs/projects in conformance with the intent of the Measure:

- Public Safety
 - 9.5 Police Positions
 - 3.5 Sworn Officers
 - 1 Sergeant
 - 2 School Resource Officer
 - 1 Detective
 - 1 Lieutenant

- 1 Crime and Intelligence Analyst
- Overtime at community events
- Housing Assistance Program for Sworn LPD Staff

- Other Essential City Services
 - Parks and Recreation
 - Operation and Maintenance/Staffing of the Generations Center
 - Capital Projects
 - Mossdale Community Park Renovations
 - Valverde Park Revitalization
 - Citywide Fiber Improvements

Lathrop Manteca Fire District

The Lathrop-Manteca Fire District Fiscal Year 2025/26 budget projects Measure C expenditures for the purpose of funding 9 Firefighters, 1.98 Battalion Chiefs, 1 Deputy Fire Marshal, operationally related overtime within the City, and expenditures for firefighting equipment and training related to the Advanced Life Support (ALS) program in the City of Lathrop.

Measure C expenditures for the funding of 9 full-time equivalent (FTE) positions in the Firefighter rank and 1.98 Battalion Chiefs are essential in providing the necessary personnel to establish an Effective Response Force (ERF) within the City of Lathrop. An ERF means when a significant incident occurs within the City (e.g. structure fire), the District can provide the staffing necessary to perform required tasks to mitigate the emergency. In the absence of this essential funding, the District would need to rely on outside agencies to assist in assembling an ERF, at extended response times.

The District provides staffing to fire stations through a constant staffing model. Constant staffing means the District employs the exact number of full-time equivalent (FTE) positions necessary to staff fire stations. Any absence due to scheduled or unscheduled leaves results in a vacancy. To maintain service levels at fire stations throughout the City of Lathrop, it is necessary to backfill daily vacant positions through the paying of overtime. The District intends to allocate overtime expenses incurred at City fire stations to Measure C.

In addition to staffing and related overtime expenditures, Measure C continues to be essential in funding the District's efforts to establish and maintain an ALS program. Measure C funding has provided essential ALS equipment and skills maintenance training for District paramedics. On January 13, 2025, the District began providing ALS services to the citizens of Lathrop, from Station 34. Currently, the District has 8 licensed paramedics and is working to continue to grow the ALS program at additional fire stations in the City. As additional personnel become licensed as paramedics, the District intends to expand ALS service next to Station 35.

- Estimated FY 2025/26 Budget includes:

- 9 Firefighters
- 1.98 Line Battalion Chiefs
- 1 Deputy Fire Marshal
- Overtime to provide for constant staffing at stations in the City of Lathrop
- Personnel expenses related to incentives and licensing maintenance to provide ALS paramedic services
- Continued funding of ALS program
- Housing Assistance Program for Sworn LMFD Staff

New Request Essential City Services

➤ **Capital Improvements**

○ **Fund Pre-Approved ADU Plans – \$70,000 – Approved by Council September 8, 2025**

In 2023, the City contracted for architectural services to prepare a pre-approved ADU plan. Three pre-engineered ADU plans were created ranging in size from 496 square feet to 748 square feet. These plans can be used by all Lathrop homeowners wishing to construct an ADU. The advantage for homeowners selecting one of the City's three ADU options is that it streamlines the City's Building Permit application process significantly. In 2023, this contract was funded by Senate Bill 2 Planning Grant Funds and Local Early Action Planning (LEAP) Grants.

In July 2025, staff became aware that the City's current pre-engineered approved ADU plans need to be updated to comply with the upcoming 2025 California Building Code, which took effect on January 1, 2026. The cost to update the plan is estimated to be \$70,000. Currently grant funds are not available to fund this update.

○ **Fund restrooms at Missionary Minnie Lee Cotton Park PK26-21 – \$500,000 – Approved by Council October 13, 2025**

On May 2, 2025, the City Council formally accepted Missionary Minnie Lee Cotton Park. On September 11, 2025, the San Joaquin County Environmental Health Department conducted a site inspection of the newly installed splashpad at the park. During the inspection, it was noted that restroom facilities had not been included in the project's scope.

According to the California Health and Safety Code and the California Building Code, public spray grounds are required to provide accessible restroom and shower facilities for public use. These requirements were not known to the City during the original planning and construction phases, and as a result, the necessary amenities were not included.

To bring the park into full regulatory compliance and ensure that the facility meets the needs and expectations of the community a shower and restroom facility needs to be constructed.

- **Fund Traffic Safety Enhancements on Spartan Way PS26-20 – \$850,000 - Approved by Council October 13, 2025 & January 12, 2026**

Staff completed a traffic study on Spartan Way between Golden Valley Parkway and Stanford Crossing. The results of the traffic study identified safety concerns including high vehicle speeds, mid-block pedestrian crossing, and high-speed motorized bicycles and scooters using the sidewalks with pedestrians present.

To enhance safety on Spartan Way, staff propose the following traffic safety improvements:

- Raised crosswalk with pedestrian activated flashing lights.
- 4-foot-high wrought iron median fence.
- Restriping
- Bike lane physical barrier

- **Fund Streetlight LED Conversion CIP GG26-27 - \$1,000,000 – Approved by Council December 8, 2025**

The City's existing High-Pressure Sodium (HPS) streetlights are nearing the end of their service life, resulting in frequent outages, resident complaints, and public safety concerns. Currently, replacements are made reactively as light failures occur, which can take up to three months due to the long lead time for replacement fixtures.

To address these issues proactively, staff proposes converting 1,650 HPS streetlights to long-lasting, energy-efficient light emitting diode (LED) fixtures. Compared to HPS light fixtures, LED fixtures offer longer lifespans, lower energy use, reduced maintenance costs, and lower PG&E rates, providing both operational and energy cost savings.

➤ **LMFD**

- **Fund Training for Licensing Additional Paramedics (Paramedic School) - \$270,000**

To expand ALS services to all City of Lathrop fire stations, the District will need to acquire additional licensed paramedics. The District will need to send additional personnel to Paramedic school, which includes full program costs, applicable fees, equipment and overtime staffing. The high-end estimate to send 3 personnel to school and cover all program and staffing expenses, is estimated at \$270,000. To minimize costs and reduce time, the District also endeavors to acquire paramedics through the entry-level recruitment process.

Reserve

As the economic implications associated with the Coronavirus pandemic remain unpredictable, an adequate fund balance will become more important than ever to weather the current fiscal environment. In October 2010, the City Council adopted a

Fund Balance Reserve Policy that applies to all City funds. Establishing a Fund Balance Reserve Policy demonstrates sound fiscal awareness and responsibility. Both the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO) recommend the establishment of a formal policy regarding fund balances as a method to manage the fiscal risk associated with a local public agency. The City's Reserve Policy states that the acceptable reserve balance range is 10% to 50% of expenditures, with a primary goal of 50%.

To stay consistent with the City's current Reserve Policy, a 25% Reserve Fund and Equipment Replacement Reserve Fund has been established and authorized for Measure C by the Committee. The Reserve Fund balances for Fiscal Year 25/26 are estimated to be:

Reserve Fund (25% of Expenditures)	\$	1,108,101
Equipment Reserve	\$	265,000

Measure C revenue is based entirely on sales tax collected via taxable sales within the City. Sales Tax can fluctuate drastically depending on the local economy. At any time, a new business may come into the City or a business may close. Because of this volatility, the City has been conservative with its budget projections.

Year to date income statements have been prepared for the period ending December 31, 2025 (Attachment A) and are attached to this report. Further details regarding the revenues and expenditures can be provided if requested.

Estimated Measure C Fund Balance less the proposed projects above as of 12/31/2025 are as follows:

Estimated Measure C Fund FY 2025/26

25% Reserve	\$1,108,101
Equipment Reserve	\$265,000
Transit Reserve	\$411,100
Operations Reserve	\$205,500
Funds not Programmed	\$765,556
Fund Balance including Mid-Year Requests	\$2,755,257

REASON FOR RECOMMENDATION:

In association with the Adoption of the Lathrop Public Safety and Essential City Services Transaction and Use Tax Measure (Measure C), the Measure C Oversight Committee will meet semi-annually to review the expenditure of revenue collected pursuant to the Measure.

ATTACHMENTS:

- A. Measure C: Essential City Services, Income Statement as of December 31, 2025

MEASURE C OVERSIGHT COMMITTEE
JANUARY 27, 2026

Page **6** of **6**

APPROVALS:



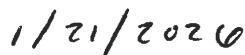
Cari James
Director of Finance



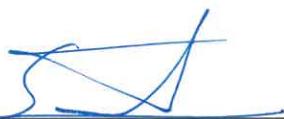
Date



Thomas Hedegard
Deputy City Manager



Date



Salvador V. Navarrete
City Attorney



Date



Stephen J. Salvatore
City Manager



Date

Income Statement
City of Lathrop
Essential City Services
Lathrop Public Safety and Essential City Services Transaction and Use Tax
As of 12/31/2025
ATTACHMENT "A"

	<u>25/26 Adjusted</u>		<u>% of</u>
	<u>Budget</u>	<u>Year to Date</u>	<u>Budget</u>
Revenue			
Essential City Services	5,700,000	1,863,197	33%
Interest Essential City Services	200,000	64,076	
Lathrop Manteca Fire District	3,800,000	1,242,131	33%
Interest LMFD	12,161		
Total Revenue	9,700,000	3,181,565	33%
Operating Expenditures			
Essential City Services			
Salaries (Generations Center)	865,230	371,520	43%
Operation & Maint (Generations Center)	709,655	128,021	18%
Capital Improvements	4,028,000	1,220,000	30%
Intergov Contract Service (Police)	2,691,620	-	0%
Indirect Costs	165,900	-	0%
Total Essential City Services Expenditures	8,460,405	1,719,541	20%
40% Transferred to LMFD	3,800,000	1,045,097	
Not Yet Transferred		1,242,132	
HDL		120	
Total Lathrop Manteca Fire District	3,800,000	2,287,348	60%
Net Changes in Fund Balance			
Essential City Services	(2,560,405)	207,732	
LMFD	-	(1,033,056)	
Total Net Changes in Fund Balance	(2,560,405)	(825,325)	
Beginning Fund Balance			
Essential City Services	6,515,660	6,515,660	
LMFD	1,088,923	1,088,923	
Total Net Changes in Fund Balance	7,604,583	7,604,583	
Reserve Funds			
Essential City Services Fund Balance Reserve	(1,108,101)	(1,108,101)	
Essential City Services Equip Replace Reserve	(265,000)	(265,000)	
Total Reserve Fund Balance	(1,373,101)	(1,373,101)	
Ending Fund Balance			
Essential City Services	2,582,154	5,350,291	
LMFD	1,088,923	55,866	
Net Surplus (Loss)	3,671,077	5,406,157	

Prepared By: Cari James

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