

Legislation Text

File #: #18-205, Version: 1

PREPARED BY: REINA SCHWARTZ

DATE OF MEETING: 06/18/18

SUBJECT:

CITY COUNCIL AUTHORIZATION TO RECEIVE AND ACCEPT THE INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE REPORTS FOR PERIOD ENDING JUNE 30, 2017 FOR MEASURE Q AND MEASURE K TRANSACTION & USE SALES TAX

CITY MANAGER RECOMMENDATION

Receive and File Report by Minute Action

COMPLIANCE STATEMENTS

Budget Spending Controls (All) and *Increase Financial Transparency* (Finance) are adopted policy items under the FY 2018-21 Council Priority Workplan, effective November 1, 2017.

CEQA Compliance Statement

This is not a project as defined by CEQA as a budget or financing mechanism pursuant to 14 Cal. Code of Regulations section 15378(b).

BACKGROUND

San Pablo voters passed Ordinance 2012-005 by approving the Measure Q Sales Tax Measure on June 5, 2012 to provide additional funding to pay for the services including Public Safety (including gang prevention); job training for local residents especially youth and the disenfranchised; and youth services. In addition, the voters passed Ordinance 2014-007 approving the Measure K Sales Tax Measure on June 3, 2014 to provide funding for an Emergency Medical Services (EMS) squad in San Pablo. Pursuant to Measures Q and K, the City Council appointed representatives of San Pablo businesses and residents to serve on a Citizens' Oversight Committee (Committee) to monitor and review each measure respectively. The five-member Committee includes the appointed representatives, as follows (with one vacancy):

- Leonard McNeil, Chair
- Raynato Castro, Vice-Chair
- David Alvarado
- Lorena Medel

As required by each ordinance, the Committee scheduled an annual public meeting on June 7, 2018 to select a Chair and Vice Chair for the Committee, and then reviewed the necessary reports. All Committee members were present for the meeting. The reports are as follows:

Measure Q and Measure K

- Independent Accountant's Report: The City engaged its independent auditor, Maze & Associates, to review and report on the collection, management and expenditure of revenues

collected by each measure for the fiscal year ended June 30, 2017. In December 2017, the firm finalized each measure's separate report, which describes their findings as it relates to the agreed upon procedures for each respective sales tax measure (see Attachments A and B: Audit Reports from Maze and Associates). FY 2016/17 overall revenues and expenditures were reported as follows:

	Measure Q	Measure K
Budgeted Revenues and Expenditures	\$ 1,050,000	\$ 650,000
Actual Revenues	\$ 1,533,386	\$ 751,752
Actual Expenditures	\$ 1,462,539	\$1,200,000

Note: the Measure K actual expenditures include General Fund expenditures above the Measure K revenues to fully fund the EMS Squad.

- Program Evaluation Reports: The Committee reviewed annual program evaluation reports for each measure, which were produced by Public Profit, the City's program evaluator. Using Maze & Associate's audited figures, the reports reflect revenues collected and funds spent in support of programs and services made possible by Measures Q and K. The reports also presented statistical data that represents the positive impact that each measure had on designated target areas for FY 2016/17 (see Attachments C and D: Measure Q and Measure K 2016/17 Annual Reports).
- PowerPoint Executive Summary Report: City staff also presented to the Committee an executive summary PowerPoint presentation (see Attachments E and F: Citizens' Oversight Committee Executive PowerPoint Summary) which highlighted all FY 2016/17 programs and services made available to San Pablo residents through Measure Q and Measure K funding for the period ended June 30, 2017. Several testimonials were presented for Measure Q which made a powerful statement on the impact of the programs in the lives of individuals. The value of Measure K funding was equally impressive in the number of calls to which Squad 70 responded: 3,898 -- over ten per day!

Compliance and Review Statement

Once Committee members completed their review of all program data and audited financial reports, they took official action to certify that all Measure Q and Measure K Transaction and Use Tax-related program revenues and expenditures for the FY 2016/17 period were utilized in accordance with official ballot language as adopted by the local electorate and in compliance with adopted Sales Tax Ordinances of the San Pablo City Council (i.e. 2012-005 and 2014-007). Following their review, the Committee had no recommendations on the FY 2016/17 Measure Q and K budgetary expenditures by the City (see Attachments G and H: 2017 Compliance and Review Statements).

FISCAL IMPACT

This report is for informational purposes only-no fiscal impact.

Attachments:

Attachment A: 2017 Independent Accountant's Report on Measure Q by Maze and Associates
Attachment B: 2017 Independent Accountant's Report on Measure K by Maze and Associates
Attachment C: 2017 Measure Q Program Evaluation Report by Public Profit
Attachment D: 2017 Measure K Program Evaluation Report by Public Profit

Attachment E: Citizens' Oversight Committee Executive PowerPoint Summary, Measure Q

Attachment F: Citizens' Oversight Committee Executive PowerPoint Summary, Measure K

Attachment G: Measure Q 2017 Compliance and Review Statement

Attachment H: Measure K 2017 Compliance and Review Statement