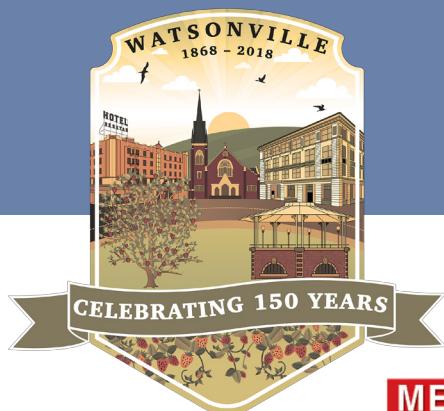


MAY
2018

City of Watsonville

REVENUE MEASURE OVERSIGHT COMMITTEE

3rd Annual Report



MEASURE G - OVERSIGHT COMMITTEE

Robin Mathews-Johnson - **Chair**
Ari Parker - **Vice Chair**
Gary Manfre - **Business Owner**
Charles Bailey - **Police Association President**
John Martinelli - **Business Owner**
Eric Montalbo - **Police Officer Association**
Corey Schaefer - **Firefighter Association President**
Dee Dee Vargas - **Realtor**
Rick Danna - **Realtor**
Leticia Mendoza - **Neighborhood Leader**
Stella Romo - **Business Owner**



A Letter from the Committee Chair

As the new Chair of the Revenue Measure G Oversight Committee, I am honored to submit this letter. We applaud the positive and far reaching effects Measure G has had on our City. We are particularly pleased with the efforts of our City staff, the City Council, and others who help ensure the positive, lasting and important accomplishments these monies provide. Through the tireless work of both our local Police and Fire Departments, lives are saved in the Pájaro Valley. We are grateful for both their past and ongoing efforts to keep our City safe and secure, and are happy this important work is supported by Measure G.

The Committee twice a year oversees Measure G revenues and expenses on behalf of the community. The Committee is a second independent check that all tax revenue was properly received, allocated, budgeted and spent in compliance with Measure G. The public is welcome and encouraged to attend our meetings to learn more about how Measure G money is received, safeguarded, budgeted, and spent. You can also follow us on the Measure G Website www.measureg.org

With regard to the use and application of Measure G funds, we can say without reservation, "well done!"

Sincerely,

Rev. Robin Mathews-Johnson
Chair, Measure G Committee

Watsonville Police Department



Officer Elizabeth Sousa using her new radio

Police Department Personnel

During FY 2016-2017, Measure G continued to fund four (4) full time police officers hired before FY 2016-2017. Measure G allowed the Department to hire a fifth new officer during FY 2016-2017 who completed the Field Training Officer Program. Measure G also paid for four full time professional positions: crime analyst, police service specialist, community organizer and youth specialist.

Measure G paid for the following trainings: interview and interrogations, emergency vehicle operations, best practices for public safety, crime scene investigation and reconstruction, advanced crime scene investigations, field training officer, school resource officer, internal affairs, LIDAR (traffic safety) and traffic collision investigations. Such training is critical for the continued safety of our police officers and the community. Training reduces risks and improves the efficiency of the Department.

Police Vehicles & Equipment

During Fiscal Year 2016-2017, the Police Department purchased two K-9 patrol vehicles, two unmarked police vehicles, one patrol vehicle and one transport van. The transport van helps officers spend more time patrolling the community and less time transporting persons in custody to the County Jail in Santa Cruz. In the past, officers needed to make multiple trips to the jail to transport persons due to limited space in the patrol vehicles. The new transport van is safe, reliable and has more passenger space. A total of \$254,685 was used to purchase the five police vehicles and the transport van.

The Police Department has been using Measure G funds to replace its outmoded analog hand-held radios. Twenty new radios were purchased during FY 2016-2017. Replacement of all hand-held radios will be completed in FY 2017-2018. A total of \$75,745 was used to purchase the radios. Measure G also allowed the purchase of desktop computers, related computer equipment, and mobile digital computers for the patrol vehicles, totaling \$93,773. Other expenses include defensive mobile armored shields, totaling \$51,566.



New WPD Transport Van



K-9 Police Officer Brian Fulgoni, K-9 "Ranger" and Officer Juan Bribiesca in front of the new K-9 Patrol Vehicle



K-9 Police Officer Brian Fulgoni with K9 "Ranger" visiting a local elementary school



Special Investigations Unit

Officer Aaron Chavarria, Officer Fernando Lopez, Officer Saul Valadez hanging out with future Watsonville leaders

Prevention and Intervention Programs

Caminos Hacia el Éxito

Caminos Hacia el Éxito is a diversion program for Watsonville youth who commit a misdemeanor first offense and holds youth accountable for their actions. During FY 2016-2017, 23 youth agreed to participate and sixteen (70%) successfully completed the program. Of the sixteen who successfully completed the program, fourteen (88%) have not reoffended. \$147,105 of Measure G funds were used to support the Caminos Hacia el Éxito Program.

Timothy, a success story of this program, is a 17-year-old who was referred to the program for petty theft. He comes from a working class single parent household. He was remorseful about committing a petty theft and wanted to take accountability for his actions. He shared that he was having academic challenges; he diligently worked hard to graduate from high school. Not only did Timothy successfully complete the Caminos Hacia el Éxito program, but he also was accepted to the Universal Technical Institute. He will be studying to become a diesel mechanic and working on being a positive role model for his two younger siblings.

Police Activities League (PAL)

PAL continues to provide youth prevention programs, such as Lego Robotics that gives youth an opportunity to build, create, and use computer software to move the robots in predesignated movements. The youth worked in pairs and applied teamwork, problem solving, and creative skills throughout the session. PAL also incorporated community service at the Senior Center; the youth interacted with seniors during recreation time that included art, karaoke, and movies. The youth were able to listen to stories about the senior's childhood, provide companionship, and give the seniors an opportunity to hear about current trends. PAL also partnered with the Teen Kitchen Project to provide prepared meals for individuals living with life-threatening illnesses. PAL started a Homework Club, which provides youth of all ages with a safe and supportive learning space to receive help with their academics. During FY 2016-2017, \$158,112 of Measure G funds was used to support the Police Activities League Program.



K-9 Police Officer Javier Ayala next to K-9 "Axel" and Future Police Officer Eddie Rodriguez taking a break from K-9 Training



PAL youth participating in community service at the local Senior Center



Academy 17-01 Graduates. Front row, left to right (In Black): Felix Barba, Jeff Wiley, Nathan Tapiz



Firefighter Mark Angiolani wearing Self Contained Breathing Apparatus (SCBA) during a fire.

Watsonville Fire Department

Fire Department Staffing

Thanks to Measure G, Watsonville Fire Department was able to hire four additional firefighter recruits in FY 2016-2017. Our first recruit, Probationary Firefighter Mark Angiolani, graduated from the Santa Cruz County Regional Recruit Fire Academy on December 22, 2016. He started work on December 31, 2016.

Three new Watsonville Fire Department firefighter recruits attended Academy 17-01 that started on June 12, 2017, and they started working in September 2017.

Fire Department Apparatus

The City Council approved the purchase of two 2017 KME Predator Severe Service 1500 GPM Pumpers in November 2016. Seventy-five percent of the purchase price was paid on December 20, 2016, in the amount of \$728,722.50. The balance of \$330,354.20 will be due upon delivery, which is expected in 390 days.

Chief Pablo Barreto, Captain Darrin Oldakowski, Engineer Matt Sanchez, and Equipment Mechanic Martin Martinez visited the KME factory the week of January 3, 2017, to check on the progress of the engine. During the visit, staff looked at the structure of the engine and pumps (fuel & water) and made sure all were correct and complied with all of our specifications. Some mechanical problems and safety issues were found which will be fixed by the manufacturer prior to delivery and will be checked again as part of a final inspection. There was a completion delay due to production issues and a high demand on pumpers similar to the ones we purchased. The original delivery date was February 2018 but due to the completion delay, the equipment was delivered April 2018.



Fire engine during mid-production inspection
January 2018.

Measure G Committee Duties

The voters in the City of Watsonville at the election conducted on June 6, 2014, enacted a Sales and Use Tax Public Safety Tax ("Measure G"). On September 9, 2014, the City Council established a City Revenue Oversight Committee to provide a second independent verification that all expenditures are being made as promised to Watsonville residents.

The duties of the Measure G Committee include:

- Review periodic expenditure reports to ensure Measure revenues were expended only for the public service purposes set forth in Measure G.
- Review report of the independent auditor that contains information of how the money was used.
- Verify the Measure G annual budget appropriation. Sixty percent (60%) use for Police and forty (40%) to Fire.
- Verify that the City does not use Measure G funds to replace General Fund operating budget.
- Ensure that adequate contingency/reserve fund is established to be used in case the sale tax revenue declines to ensure the services are maintained.

City Budget

The Measure G Committee will review the proposed Measure G 2018-2019 budget during its May 30, 2018, meeting and decide whether to recommend the Measure G budget to the Council.

Fire Department Equipment

The Watsonville Fire Department purchased equipment for the apparatus and safety equipment for the firefighters during FY 2016-2017. The Department purchased a Holmatro Rescue Equipment Pump that will be used in Trucks 4470 and 4471. This pump is used to power the Jaws of Life extraction equipment at vehicle accidents. Older fire hoses will be replaced on all fire engines and fire trucks. Also, supplies were purchased: for the Fire Line Medic Program which will allow a Fire Line Medic to assist firefighters who may be injured in the wilderness while on a strike team away from medical facilities; supplies for Rope Rescue equipment for the apparatus to help firefighters rescue someone trapped in a building or on the side of an embankment were also purchased; new emergency lighting for all emergency response vehicles will improve the visibility of the vehicles for other drivers on the road and new communications equipment to improve response capabilities; personal protective equipment and secondary breathing apparatus (SCBA's) for structure and wildland needs will help to protect our firefighters when responding to calls for assistance.



Firefighter Angiolani at a motor home fire.

Fiscal Accountability

An independent auditor has analyzed expenditures and revenues of Measure G. The auditors reviewed whether the City complied with its Measure G requirements including:

- a) test expenditures to ensure funds are spent on allowable activities;
- b) ensure that the City created two separate funds one for Police with 60% of the funds and one for Fire with 40% of the funds;
- c) maintain the required maintenance of effort from General Fund budget as FY 2013-2014;
- d) ensure that no more than 2% is spent in administrative overhead;
- e) ensure that a contingency fund was established holding 10% of annual revenues.

The auditor's report is separate from the audit of all other City finances. The oversight Committee accepted the separate audit report during their meeting of February 2018.

Administrative Cost and Reserve

The City incurred \$23,875 in Administrative Costs during FY 2016-2017. These are overhead costs for accounting, payroll and human resources related to Measure G, representing 0.7% of revenue; a third of the 2% maximum.

The required Measure G Contingency Reserve Fund has been maintained at ten percent (10%) of the annually budgeted revenues. The reserve fund is at \$2,920,737.

July 2016 to June 2017 (audited)	
Watsonville Fire Department (40%)	
Previous Balance	\$ 1,156,958
Sales Tax	\$ 1,423,975
Expenditures	
Personnel (Firefighters)	\$ 490,300
Operations	\$ 111,165
Equipment	\$ 872,180
Total Expenses	\$ 1,473,645
Balance	\$ 1,107,288
Watsonville Police Department (60%)	
Previous Balance	\$ 1,365,565
Sales Tax	\$ 2,135,962
Grants	\$ 122,383
Expenditures	
Personnel	\$ 876,996
Operations	\$ 376,927
Equipment	\$ 556,538
Total Expenses	\$ 1,810,462
Balance	\$ 1,813,448

Maintenance of Effort

The Revenue Measure Oversight Committee found the City did not use Measure G funds to replace General Fund operating budget contributions for the Police and Fire Departments. The baseline maintenance of effort (MOE) budgets for this purpose are the FY 2013-2014 General Fund Budget

The Police Department FY 2013-2014 MOE is \$12,359,924. The Measure G Audit reported that the City spent \$16,681,747 on police services thereby exceeding the Police Department 2016-2017 MOE.

The Fire Department FY 2013-2014 MOE is \$5,672,299. The Measure G Audit reported that the City spent \$6,949,985 on fire services thereby exceeding the Fire Department FY 2016-2017 MOE.

Conclusion

The Revenue Measure Oversight Committee finds that the City of Watsonville has complied with Measure G and State Law in budgeting, accounting for and expending Measure G revenue.