



## *City of Santa Paula*

### Measure T Oversight Committee

Thursday July 27, 2017 7:00 p.m.

Santa Paula City Administration Conference Room  
970 Ventura Street

#### Committee Members:

Andrew Sobel  
Jose Luis Melgar  
Johnny Flores  
Kristin Majda  
Rose Chacon

#### Staff

Michael Rock, City Manager  
Sandy Easley, Finance Director  
John Cotti, City Attorney

### AMENDED AGENDA

The agenda is posted for minimum of 72 hours prior to Regular Committee meeting or 24 hours prior to a Special Committee meeting, at the entrance to the City of Santa Paula City Hall, 970 Ventura Street. The agenda is also posted on our Internet Site at <http://www.ci.santa-paula.ca.us> Individuals with a disability, who require reasonable accommodation to participate in a Committee meeting, may request assistance by contacting the City at (805) 933-4208.

The Measure T Oversight Committee will be meeting in regular session on July 27, 2017, at 7:00 pm. or shortly thereafter, to discuss the following items:

1. Call to Order
2. Roll Call
3. Public Comment

Anyone wishing to address the Committee regarding items not on this agenda may do so at this time. No action will be taken on non-agenda items. No discussion or comments by the Committee should be expected except to properly refer the matter for future consideration. The Committee requests public comment be limited to 3 minutes maximum per speaker.

#### Order of Business Items

1. City Manager Introduction

2. Discuss the Expenditure of Measure T Revenue in Relation to Youth Services – Proposed Program Changes, Additions
3. Discussion of the Oversight Committee’s Next Steps, including -
  - Metrics for Evaluating Measure T Expenditures by City
  - Presentations that the Committee would like;
  - Next meeting agenda items.
4. Discussion of Measure T Oversight Committee’s Draft Report.
5. Adjournment.

State of California )-

County of Ventura )- ss

City of Santa Paula )-

I declare under penalty of perjury that I posted this City Council Agenda on the bulletin board near the front door of City Hall, 970 Ventura Street, Santa Paula, California.

On \_\_\_\_\_ at \_\_\_\_\_ Signed: \_\_\_\_\_

Lucy Blanco, City Clerk

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# MEASURE T OVERSIGHT COMMITTEE

## Recommendations for Expenditure of One Cent Sales Tax for Fiscal Years 2017-18

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July 27, 2017



**DRAFT**

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## Introduction

In November of 2016 the citizens of Santa Paula voted in favor of Measure T to adopt a one percent general sales tax. Measure T states:

*Shall a General Sales Tax Ordinance be adopted imposing a one cent (.01) transactions and use (sales) tax for a period of twenty (20) years, generating approximately \$2.1 million annually, to improve police and fire services with the remainder devoted to street repair, youth programs and the provision of other city services?*

- *Increasing the total sales tax rate in Santa Paula from 7.5 to 8.5 percent*
- *The tax generated by Measure T will sunset in 2036.*
- *The City is not legally bound in any way to use the tax monies for any special purpose for any particular facilities or programs.*
- *All revenue generated from the proposed sales tax increase would be deposited in the General Fund and would be available for use by the City to pay for general City operations and services, including Police and Fire Services, street repair, and youth programs. The City, however, would not be legally bound in any way to use the tax monies for any special purpose of for any particular facilities and programs.*
- *The tax ordinance regress a five member citizen commission comprised of members appointed by the City Council to annually review and audit expenditures of revenues derived from sales tax. The report issued by the citizen commission is a public record and must be considered by the City Council at a public meeting.*

In November of 2016, the Santa Paula City Council adopted a resolution calling for the formation of the Measure T Oversight Committee (Resolution No. 7020). This committee was charged not only with annually reporting on expenditure of the revenues generated by the one percent general sales tax, but also added the responsibility of providing recommendations for how these revenues should be allocated. The resolution states in Section 1B:

*Section 3 of the sales tax ordinance contains a fiscal accountability provision that obligates the City to create an oversight committee to make recommendations to the City Council on the expenditures of revenues generated by the sales tax measure and inform the public and the City Council to ensure that such revenue is expended in accordance with the intention of the voters and State law...*

The resolution goes on to adopt guidelines, which are outlined in the “Measure T Oversight Committee Guidelines” document. It states:

- *The Measure T Oversight Committee will convene at least twice annually to review and report to the public and the City Council on the revenue and expenditures generated by Measure T. The Committee shall confine itself specifically to its obligations under Measure T. All monies from other sources shall fall outside of the scope of the Committee’s review.*
- *The Committee will consist of five (5) members appointed by the Council*
- *Committee members must be a U.S. Citizen, 18 years of age, a resident of the City, not a public employee, [and] must submit an annual statement of financial disclosure*
- *The committee shall be composed of members from the following organizations [located in the City of Santa Paula]:*
  - *one member active in a business organization representing the business community*

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- one member active in a senior citizen organization
  - one member active in a civic organization
  - one member active in a youth organization
  - one resident at-large
- Terms of the members will be staggered so that the terms of the three members end in even-numbered years while the terms of the other two members end in odd-numbered years. Each member will serve a term of two (2) years.
  - The Committee will act in an oversight capacity to review revenues and expenditures generated by the Santa Paula Local One-Cent Sales Tax in order to ensure conformance with the budget allocation approved by the City Council. The Committee's specific duties are as follows:
    - Report annually by May 1 on the recommended expenditure of the Santa Paula Local One-Cent Sales Tax revenue;
    - Annually review revenue receipts and expenditures of the Santa Paula Local One-Cent Sales Tax;
    - Annually review the status and performance of programs and services funded wholly or in part with the proceeds from the Santa Paula Local One-Cent Sales Tax;
    - Annually prepare an independent report to the City Council regarding the revenue and expenditures of the Santa Paula Local One-Cent Sales Tax.
  - The City Manager's Office and members of the Finance Department will provide technical and administrative assistance to the Committee.

The Measure T Oversight Committee, hereafter referred to as the Committee, was appointed by the Santa Paula City Council on April 3, 2017 following an application and interview process that involved 17 candidates. This inaugural committee includes the following individuals:

*Kristin Majda - Chair*

*Jose Luis Melgar - Vice Chair*

*Rose Chacon - member at large*

*Johnny Flores - member at large*

*Andy Sobel - member at large*

*add what role each person was intended to represent*

The Committee was convened for the first time on May 22, 2017 to determine the Committee's structure, clarify the Committee's responsibilities, and develop a timeline for the Committee to form and present recommendations to the City Council. It was reported to the Committee by City Staff that the revenue from the one percent general sales tax was estimated to include \$130,000 for the partial fiscal year of 2016-17 and \$1.2 million for the entire fiscal year of 2017-18; and that the revenue for 2016-17 would be rolled into the Measure T budget for 2017-18.

The Committee met again on June 14 and June 21 of 2017 to discuss and come to consensus on a set of recommendations for the City Council for expending the revenue from the one percent general sales tax. At the June 14 meeting, the Committee adopted a resolution to present a single, unified recommendation to the City Council. At the June 21 meeting the Committee voted on and unanimously approved a single set of

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recommendations for the City Council. The Committee also agreed to meet again in late 2017 to update its recommendations to the City Council for various reasons described here within.

In preparation for making recommendations to the City Council, the members of the Committee attended City Council meetings in which city personnel reported on city finances and department heads reported on their budgets and the potential impact to programs due to potential budget cuts, and in which Council Members discussed the city's budget and financial challenges. Department heads representing police and fire services, public works, and the community services department also presented to the Committee at its June 14 meeting. Additionally, members of the Committee met individually with these department heads and with members of the community to further gather information and input regarding city needs and resources. Furthermore, members of the community shared their opinions during public comments at each of the Measure T Committee meetings and some members of the Committee also researched and reported out on how similar measures are being implemented in other communities.

Committee Chair Kristin Majda formally presented the Measure T Committee Recommendations to the City Council on June 26th at a special council meeting convened specifically to address the city budget (see the "Recommendations" section). City staff also presented a proposed interim budget to the City Council at this meeting. The proposed interim budget included recommendations for expenditure of \$676,866 of the Measure T funds for 2017-18. It is important to note that this budget was drafted and presented to the City Council *before* the Measure T Committee made its official recommendations to the Council. Despite this, the Council voted to adopt the interim budget as proposed by City staff. Therefore, in addition to outlining a set of recommendations for expenditure of Measure T funds, this report also includes a preliminary review of the proposed expenditures for Measure T funds included in the interim budget approved by the Council.

The purpose of this report is to provide additional evidence in support of each recommendation listed in the "Recommendations" section so that the Council will better understand why the Committee made these recommendations. Evidence in support of recommendations pertaining to each funding priority (Police, Fire, Roads, and Youth) are found in separate sections titled after that funding area. These sections are precluded by a "General Considerations and Findings" section that outlines evidence that pertains to all four funding priorities. Due to time constraints, the Committee was unfortunately unable to complete this report in time for the June 26, 2017 Council meeting and instead will present it to the Council at its July 31, 2017 meeting.

The final section of this report provides a preliminary review of the interim budget adopted by the City Council on June 26, 2017 as it pertains to expenditure of Measure T Revenue.

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## Recommendations

1. It is the **recommendation** of this Committee that the City Council balance the City Budget as if there were no Measure T funds, and then allocate the Measure T funds according to the recommendations outlined by this Committee. This strategy will better ensure that the funds are used to enhance city services rather than supplanting funding for existing services. Cuts made in an effort to balance the City's budget should not be made disproportionately to police, fire, public works and community services in anticipation of having additional funding from Measure T to support those agencies.
2. It is the **recommendation** of this Committee that the majority, if not all, of the Measure T Revenue be used to *enhance* police, fire, and youth services, and to support maintenance and repair of city streets. The Committee strongly believes this was the intention of the voters, which is supported by the results of the Measure T survey conducted in fall of 2016.



### Funding Priorities for Measure T Revenue Include Fire, Police, Roads, and Youth

3. It is the **recommendation** of this Committee that 50% of the Measure T revenue (approximately \$665,000) be allocated towards Police Services. The Committee recommends these additional funds be used on things such as increasing police salaries to make them more competitive with other Ventura County cities; hiring more police officers, and providing funding to enhance police services. It is the intention of this Committee that additional funding for Police Services from Measure T support programs and services that prevent crime as opposed to being used solely on programs and services that are strictly reactionary.
4. It is the **recommendation** of this Committee that 20% of the Measure T revenue (approximately \$266,000) be set aside in reserve in the event that the annexation of Santa Paula Fire Department by Ventura County Fire fails to occur for whatever reason. In this event, this money would be used to ensure continuation of adequate fire service for the City of Santa Paula. In the event that the annexation does occur, the Committee will provide an interim report with updated recommendations for how to spend this 20% of Measure T funds after November 1, 2017.
5. It is the **recommendation** of this Committee that 5% of the Measure T revenue (approximately \$66,500) be allocated to the Public Works Department to support implementation of the Pavement Management Plan.
6. It is the **recommendation** of this Committee that 5% of the Measure T revenue (approximately \$66,500) be allocated to the Community Services Department to offset recent budget cuts and provide additional funding to restore youth programs facilitated by the Community Services Department.

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7. It is the **recommendation** of this Committee that 20% of the Measure T revenue (approximately \$266,000) be reserved for Youth Programs and Services to be used as follows:
    - A. The Committee recommends that the City conduct a Comprehensive Needs Assessment of youth programs and services to determine what needs exist, where current resources already exist, and where gaps in programs and services exist.
    - B. The Committee recommends that community outreach and input be a large part of the process of conducting the Comprehensive Needs Assessment.
    - C. The Committee recommends that the Comprehensive Needs Assessment be completed before November as it is the intention of this Committee to reconvene in November to form an interim report with updated recommendations.
    - D. It is the intention of this Committee that the cost of the Comprehensive Needs Assessment will consume a very small part of this 20% set aside for Youth and that the remaining funds be retained in the reserve account until this Committee can review the results of the Comprehensive Needs Assessment and provide updated recommendations based on those results.

The Committee *strongly* urges the City Council to not be tempted to use the funds recommended by the Committee to be set aside in reserve accounts (20% for fire services and the 20% for youth programs and services) to balance the City Budget. The Committee Urges the City Council to set aside these funds until the Fire Annexation is resolved and critical information is obtained from the Needs Assessment. The Committee will come back with interim recommendations at the end of the calendar year 2017 once this information is in place.

## General Considerations and Findings

### General Findings

1. It is the **finding** of this Committee that the citizens of Santa Paula intended the revenue from the one percent general sales tax levied as a result of the Measure T initiative, hereafter referred to as Measure T Revenue, to be used to *enhance* police, fire, and youth services, and to support maintenance and repair of city streets.
2. It is the **finding** of this Committee that the citizen's of Santa Paula place greatest priority on enhancing public safety and, as such, expect that the majority of the Measure T Revenue will be used to support fire and police services, including gang prevention and intervention programs targeted at youth.
3. It is the **finding** of this Committee that the Fire Department, Police Department, Community Services Department (which provides coordinated youth services), and the Public Works Department (responsible for road maintenance and repair) have been critically underfunded for several years and now face crisis in their ability to provide adequate services to the City of Santa Paula.
4. It is the **finding** of this Committee that the City is facing an overall fiscal crisis as expenses continue to grow at a faster rate than annual revenues. For 2016/17 the City of Santa Paula ended the fiscal year with an overall deficit of about **\$34,000**. The projected deficit for 2017-18 reported at the June 19 meeting was \$2.2

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million. This has created a situation in which City staff and the City Council face great temptation to use Measure T Revenue to balance the City budget.

5. It is the **finding** of this Committee that the time allotted to the Committee to prepare for and come to consensus on recommendations regarding expenditure of Measure T Revenue was not sufficient to provide adequate time for community input and participation.

## Additional Considerations

- In the course of coming to consensus regarding recommendations for expenditure of Measure T Revenue, there was support from some committee members to recommend funding one or more city staff positions. In particular, the committee felt it was important to fund positions that would result in the following types of enhancements:
  - A. Ensuring public safety,
  - B. Actively seeking out and applying for grants and other forms of funding on behalf of City agencies, particularly Police, Fire, Community Services, and Road Repair and Maintenance,
  - C. Ensuring the the City of Santa Paula is receiving its fair share of services from state and county agencies,
  - D. Seeking out means for increasing departmental efficiencies by eliminating redundancies, looking for opportunities for synergy, and employing cost-saving technologies, especially with regards to Police, Fire, Community Services, and Public Works, and
  - E. Developing metrics and a City dashboard for monitoring success of City programs and overall return on investment, particularly with regards to Police, Fire, Community Services, and Public Works.

However, the Committee consensus was to wait until its interim review at the end of the calendar year 2017, after resolution of several fiscal questions, before including any recommendations to City Council that promote using Measure T Revenue to fund staff positions outside of the police, fire, and community services departments.

## Police Services

### Findings Regarding Police Services

1. It is the **finding** of this Committee that the residents of Santa Paula strongly support increasing funding for Police Services. The results of the 2016 Community Survey of 295 random voters indicated that 66% of respondents said knowing funds would be used to provide more police would induce them to support Measure T; and 59% of respondents said knowing funds would be used for anti-gang diversion would induce them to support Measure T.

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2. It is the **finding** of this Committee that Police Services make up the largest expense from the General Fund for the City of Santa Paula. Based on the budget documents presented to the City Council:
- A. Total expenditures for the Police Department was \$6.5 million, which is equivalent to 44.5% of total expenditures from the General Fund. About \$5.5 million or 37.7% of total expenditures from the General Fund was spent on salary and benefits for police employees in fiscal year 2016-17.
  - B. The Police Department received about \$330,000 in funding from grants in 2016-17. Approximately \$250,000 of these funds came from Limoneira. This funding source will terminate in September, 2017. These monies were used to fund two police officer positions and two school resource officers. Per the police chief, the unified school district has expressed that it will cover the cost of the school resource officers for next fiscal year, either by applying for grant funding or by directly funding them; but the Police Department will need additional funding from the City to cover the cost of the two police officer positions that were grant-funded.
  - C. The Police Department receives about \$180,000 in funds annually from the Proposition 172 half cent state sales tax adopted by California in 1993. A city or county that receives Proposition 172 funds must place the revenues in a special revenue fund to be expended only on public safety services as defined in Government Code Section 30052. Eligible services include sheriffs, police, fire, county district attorneys, corrections and ocean lifeguards. The Fire Department also receives about \$100,000 in funds from this source each year. If the Fire Department is annexed by the county, these funds will shift to the Police Department, causing the total annual funds for the police department to increase to approximately \$280,000.
  - D. In its May 25 budget presented to the City Council, the Police Department requested funding in the amount of \$6,769,180 for fiscal year 2017-18, an amount in excess of \$258,340 compared to the 2016-17 budget, in order to maintain police services at their *current* level. Due to budget shortfalls, the City Council requested all departments make 10% in cuts to their proposed budgets. The Police Department presented a revised budget on June 5 with \$377,728 in cuts resulting in deferring hire of three officers and reducing overtime budget thereby presumably impacting police coverage for the City, deferring vehicle purchase and maintenance, and cutting funding for purchase of training equipment.
3. Despite the fact that Police Services make up the largest expense paid from the City General Fund, it is the **finding** of this Committee that Police Services are still underfunded. As a result:
- A. The City currently only authorizes 32 police positions, including the two police officers that were grant-funded. Thus only three officers on average patrol the city at any given time, including the commander; except for on weekend evenings when up to five officers patrol the city. According to the Police Chief, a city the size of Santa Paula should employ at least 45 officers on its force. Thus the City needs to hire at least 14 more officers to fully meet its need for basic services.
    - Note that the City currently employs 31 officers with one position open and needing to be filled. However, of these 31 officers, eight officers are currently out on long term leave: six officers are out due to illness or injury and three are out due to personnel issue. Contributing factors to officers being out on medical leave may include increased chance of injury due to being overworked because of inadequate staffing, and slow process for officers to receive treatment through workers compensation thus delaying their return to duty.

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- B. Due to the number of officers on long-term leave and the overall lack of officers on the force, the Police Department has had to shut down its anti-gang task force and narcotics task force; and is currently not engaged in any prevention, intervention or community relations or outreach services.
  - C. The violent crime rate has increased by 27% as compared to this time one year ago, assaults have increased by 115%, property crimes have increased by 23%, and overall serious felonies have increased by 24%.
  - D. Pay rate for police officers in Santa Paula is the lowest in the County, about 32% less on average than the pay rate for police officers and deputies in Simi Valley, Oxnard, Ventura, Port Hueneme and Ventura Sheriffs Office. According to the Police Chief, at least ten officers are planning to leave if they do not see a significant salary increase in the coming year; three have already applied to other agencies.
  - E. Santa Paula has had a 33% turnover rate for police officers in the past seven years. At a cost of \$125,000 to \$150,000 to train each new officer, this turnover rate has a deep overall financial impact.

## Considerations Regarding Police Services

The following should be taken into consideration with regard to the **recommendation** of this Committee to allocate 50% of the Measure T Revenue (approximately \$665,000) towards Police Services:

- A. It is the intention of the Committee that this funding be used to restore budget cuts to the Police Department, increase police salaries to make them more competitive with the other agencies in Ventura County, hire more police officers, and enhance police programs and services. Additional cuts to the Police Department to restore funding to other areas of the City Budget should not be made as a result of using Measure T Revenue to increase funding to the Police Department.
- B. It is the intention of the Committee that the City Council make a long-term commitment to the Police Department regarding annual funding from both the general fund and Measure T Revenue in order to provide long-term stability to the department so that the leadership can adopt and implement a long-term strategy for hiring personnel and implementing enhanced programs and services. The Police Department should be provided with guidelines for how much funding can be expected on a long term basis versus the percentage of additional funding from Measure T Revenue that may be allocated to the Police Department for fewer than five years and 10 years.
- C. When deciding how to use Measure T Revenue, the City and Police Department should remember that the recommended allocation to police includes \$65,000 in revenue from 2016-17 (50% of \$130,000) and this would not recur in subsequent annual budgets; thus long-term commitments for these funds should be restricted. Also, if the Fire Department is annexed by Ventura County Fire and the \$100,000 allocated to Fire per annum from the Proposition 172 half cent state sales tax is redirected to the Police Department, then the Police Department should expect that Measure T funds allocated to the Police Department may be reduced proportionately and should plan accordingly.
- D. It is the intention of this Committee that a significant portion of the funding from Measure T Revenue allocated to enhance Police Services support programs that prevent crime as opposed to being used

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solely on programs and services that are strictly reactionary. Examples include but are not limited to allocating staffing and resources to:

- Gang Intervention Programs and Services
- Youth Development and Intervention (ie. Police Explorers program)
- Community Relations and Outreach

## Fire Services

### Findings Regarding Fire Services

1. It is the **finding** of this Committee that the residents of Santa Paula strongly support increasing funding for Fire Services. The results of the 2016 Community Survey of 295 random voters indicated that 59% of respondents said knowing funds would be used for the Fire Department would induce them to support Measure T.
2. It is the **finding** of this Committee that Fire Services make up a large part of expenses paid out of the General Fund. Based on the budget documents presented to the City Council:
  - A. Total expenditures for the Fire Department was \$2.5 million, which is equivalent to 17% of total expenditures from the General Fund. About \$2.2 million or 15.1% of total expenditures from the General Fund was spent on salary and benefits for **Fire** employees in fiscal year 2016-17.
  - B. The Fire Department received about \$431,990 in funding from the SAFER grant in 2016-17 to fund five firefighters. Funding from this grant will only last through September 2017.
  - C. The Fire Department receives about \$100,000 per annum in funds from the Proposition 172 1/2 cent state sales tax adopted by California in 1993. A city or county that receives Proposition 172 funds must place the revenues in a special revenue fund to be expended only on public safety services as defined in Government Code Section 30052. Eligible services include sheriffs, police, fire, county district attorneys, corrections and ocean lifeguards.
  - D. In its May 25 budget presented to the City Council, the Fire Department requested funding in the amount of \$3,067,545 for fiscal year 2017-18, an amount in excess of \$545,011 compared to the 2016-17 budget. Due to budget shortfalls, the City Council requested all departments make 10% in cuts to their proposed budgets. The Fire Department presented a revised budget on June 5 with \$487,470 in cuts resulting in loss of five firefighters (those funded by the SAFER grant), deferred purchase of safety equipment, and deferred property and equipment maintenance.
3. It is the **finding** of this Committee that Fire Services are critically underfunded. Santa Paula spends about half as much per station as the City of Ventura and about 28% as much as Ventura County Fire spends per station. As a result, current deficiencies include:
  - A. Lack of support companies (specialists in ventilation, forced entry, rescue, etc)

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- B. Lack of chief officers
  - C. Lack of sufficient number of fire fighters (according to the **fire chiefs**, the department should have 30 firefighters to cover three shifts for the average number of calls received, but Santa Paula only has 18 firefighters, including the five funded by the SAFER grant)
  - D. Inadequate pay for current firefighters
  - E. Poor station alerting system
  - F. Lack of full safety equipment
  - G. No periodic physicals for fire fighters
  - H. No truck with tall ladder
  - I. No capital improvement plan for new equipment and apparatus (the department is simply reacting as things break)
4. It is the **finding** of this Committee that the City is currently in the process of deciding whether or not to allow the Santa Paula Fire Department to be annexed by the Ventura County Fire. Fire Services will likely be enhanced if they are provided by Ventura County Fire because Ventura County Fire will redistribute more resources to Santa Paula than the Santa Paula Fire Department is currently able to support. The short term and long term costs of transferring responsibility of fire services to the county remains unclear at the time of the drafting of this report. For this reason, the Committee intends to reconvene after November 1, 2017 (the current projected date of annexation) to review the impact of the annexation to the City Budget and provide updated recommendations regarding Measure T funding.
- A. Note that if the Fire Department is annexed by Ventura County Fire, the \$100,000 per annum in funds from the Proposition 172 1/2 cent state sales tax will be retained by the City and diverted to the Police Department.

## Considerations Regarding Fire Services

The following should be taken into consideration with regard to the **recommendation** of this Committee to set aside 20% of the Measure T Revenue (approximately \$266,000) in reserve for fire services:

- A. It is the intention of this Committee that the money be placed in an interest-earning account while held in reserve.
- B. It is the intention of this Committee that if the annexation of Santa Paula Fire Department by Ventura County Fire does not occur, the money set aside in reserves be used to ensure continuation of adequate fire service for the City of Santa Paula.
- C. It is the intention of this Committee that if the annexation does occur by November 1, 2017, the Committee will reconvene and provide an updated recommendation to City Council for expenditure of this 20% set aside in reserve.
- D. It is the intention of this Committee that if the annexation does occur, the City not use any of this money set aside in reserve to pay for fire services unless the decrease in deposits to the general fund as a result of

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annexation are greater than the cost to the City to run the fire department in previous years. In this case, the money set aside should be used to cover any difference in cost, but no more, until the Measure T Committee provides an updated recommendation.

## Road Maintenance and Repair

### Findings Regarding Road Maintenance and Repair

1. It is the **finding** of this Committee that the Public Works department completed a well-done and much needed “Needs Assessment with Pavement Management Plan” in 2016. This study found that 99 city streets (15%) out of 668 were found to have a pavement condition index (PCI) of 0-24 (poor condition). The department developed a three year plan for repairing all of these streets that calls for spending \$9 million over three years (\$3 million per year) to repair 33% of these roads per year to bring them all above PCI 70 (good condition).
2. It is the **finding** of this Committee that the Public Works department receives most of its funding for road maintenance and repair from funding sources separate from the General Fund, totaling about about \$2.8 million, including:
  - A. Street Gas Tax
  - B. 2010 Bond - for capital projects, not maintenance
  - C. Transportation Development Act (TDA)
  - D. Various federal and state funding when available
3. It is the **finding** of this Committee that the Public Works department requested an additional \$300,000 per year from the General Fund for 2017-18 to fully cover the cost of maintaining and repairing the City’s roads, sidewalks, curbs, ramps for handicap, and storm drains. Road maintenance prevents further degradation.
4. It is the **finding** of this Committee that Public Works will get additional funding from the new Senate Bill 1 tax initiative passed in April 2017, an additional \$.12 per gallon gas tax for roads, bridges, and transit. Distribution of these funds will be formula based, with Santa Paula estimated to receive more than \$500,000 per year for 10 years. Initial revenue from this funding source will come in November of 2017.
5. It is the **finding** of this Committee that the Public Works department will receive increased revenue from Traffic Impact Fees as part of the build out of East Area 1. As the developer begins to pull permits, each unit will generate approximately \$29,000 in funding for roads, for a total of \$9 million paid out in total.
6. It is the **finding** of this Committee that the City’s sewer and water infrastructure are in critical need of updates and that funding to update this infrastructure is less available. It may be more prudent to allocate additional Measure T funding towards these needs rather than towards road maintenance and repair.

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## Considerations Regarding Road Maintenance and Repair

The following should be taken into consideration with regard to the **recommendation** of this Committee to set aside 5% of the Measure T Revenue (approximately \$66,500) in reserve for Road Maintenance and Repair:

- A. It is the intention of this Committee that the Public Works Department have adequate funding to fully implement its Pavement Management Plan. Given that two new funding sources will become available for road maintenance and improvements before the end of the year, the Committee plans to reconvene at the end of 2017 to review and revise its recommendations after more data regarding revenue from those funding sources becomes available.
- B. It is the intention of this Committee to evaluate further the City's needs for sewer and water maintenance and upgrades as well, of the course of the next fiscal year.

## Youth Services

### Findings Regarding Youth Services

1. It is the **finding** of this Committee that investment in Santa Paula youth is the greatest investment we can make in the future success of the City. There are five areas, in particular, that the City should be sure are adequately being addressed:
  - A. *Health and Wellness*

This area includes providing opportunities for youth to engage in sports and other healthy behaviors as well as providing programs that build a sense of community. It also includes addressing known health issues, like the high rate of childhood obesity among Santa Paula youth and the high rate of teen pregnancy. It is also important to provide parenting skills classes and life skills training for youth, as well as mental health services.
  - B. *Early Childhood Education*

Research shows that every dollar invested in early childhood education (preschool) yields \$2-3 dollars in per capita earnings return on investment. Preschool programs are key to addressing the achievement gaps in school performance that are so prevalent in low-income communities like Santa Paula.
  - C. *Career Development and Mentoring*

Youth need an opportunity to learn about different careers and the pathways to entering them. The City can play a vital role in facilitating career development opportunities for youth by providing internships and by encouraging local businesses to provide internships and career development opportunities as well. Local citizens should be encouraged to volunteer for organizations like Big Brother, Big Sister and the Santa Paula Latino Town Hall Youth Initiative.

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D. *After-School Programs*

Children who engage in after school programs are more likely to graduate from high school and are less likely to engage in drug and alcohol abuse, sexual activity, and other illegal behaviors. There are currently not enough after school opportunities for youth to meet the needs of the Santa Paula community and those that do exist lack resources to meet their full potential. For example, the Boys and Girls Club could serve more youth, but lacks transportation for youth to get from school to the club facility.

E. *Gang Prevention and Intervention*

The school district currently collaborates to a certain degree with the school resource officers from the Police Department to provide these services; however, the Police Chief feels there is great need and potential for a lot more to be done. Students who do not graduate from high school almost certainly face a lifetime of low wages and are more likely to become involved with gangs and engage in criminal activity thereby further perpetuating crime and the socioeconomic disadvantages evident in the Santa Paula Community.

2. It is the **finding** of this Committee that the City exclusively provides funding for youth programs and services through the Community Services Department. These primarily address the areas of health and wellness, with limited support for the other youth areas of need. Services include:

- A. Youth Sports (basketball and t-ball) and Recreation Classes (gymnastics, and tai-kwon-do)
- B. Preschool Classes two days per week for three year olds and three days per week for four year olds (this program serves a very limited number of youth and does not have capacity to grow)
- C. Special community events (Easter Egg Hunt / Earth Day Celebration, Movies in the Park, Penny Carnival, Halloween Carnival, Santa Claus at Christmas)
- D. Summer Camp (serving 140 kids at one school site)
- E. Maintenance of parks for community use and use of youth organizations like AYSO and other youth recreation programs
- F. Internship opportunities for high school youth to gain work experience

3. It is the **finding** of this Committee that the Community Services Department lacks adequate funding to provide comprehensive youth services to fully meet the needs of Santa Paula's residents, especially its socio-economically disadvantaged residents.

- G. In its May 25 budget presented to the City Council, the Community Services Department requested funding in the amount of \$1,054,513 for fiscal year 2017-18, an amount in excess of \$41,293 compared to the 2016-17 budget. Due to budget shortfalls, the City Council requested all departments make 10% in cuts to their proposed budgets. The Community Services Department presented a revised budget on June 5 with \$67,182 in cuts that would disproportionately affect youth services. These included reduction of park and community center maintenance, reduced availability of the community center for youth programs, and elimination of both the Movie Day in the Park community event and the annual Easter Egg Hunt & Earth Day Celebration community event.

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- H. Though funding for Community Services has more than doubled since 2005 (total budget of \$453,584 for 2004-05 versus \$1,035,504 for 2016-17), the department has terminated more than half of its youth programs since 2005 due to the fact that costs in other non-youth related areas (e.g. building maintenance) have increased disproportionately. As a result, the department has continuously had to divert funding from youth-serving programs to other functions.
4. It is the **finding** of this Committee that many excellent agencies provide youth services in addition to the Community Services Department, and that these agencies have the capacity to provide youth programs in areas that the Community Services Department lacks capacity. Some examples of local youth-serving agencies include:
- A. The Santa Paula Unified School District
  - B. Santa Paula Latino Town Hall
  - C. First Five
  - D. Public and Private Preschool programs
  - E. The Boys and Girls Club
  - F. The Public Works Department has internship opportunities for high school youth to gain work experience
  - G. Both the Police Department and Fire Department are affiliated with Explorer programs that can provide youth with role models and work experience
5. It is the **finding** of this Committee that the Community Services Department has not updated its Recreation and Park Master Plan since 2006. Furthermore, Santa Paula Latino Town Hall put together an excellent, comprehensive report in 2016 detailing research about youth development and intervention services and ways in which the City could utilize City resources more efficiently to invest in youth. This report includes several recommendations for the City to consider, including commissioning a comprehensive needs assessment, and calls for the City to scale up its administrative infrastructure in order to provide coordinated programs that take advantage of synergy between agencies.

## Considerations Regarding Youth Services

The following should be taken into consideration with regard to the **recommendation** of this Committee to allocate 5% of the Measure T revenue (approximately \$66,500) to the Community Services Department:

- A. It is the intention of this Committee that these funds be used to offset recent budget cuts and provide additional funding to restore youth programs facilitated by the Community Services Department. The Community Services Department should not redirect funds towards programs and services that do not directly or indirectly benefit youth in response to receiving additional funding from Measure T Revenue.

The following should be taken into consideration with regard to the **recommendation** of this Committee to set aside 20% of the Measure T Revenue (approximately \$266,000) in reserve for youth services:

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- A. It is the intention of this Committee that the money be placed in an interest-earning account while held in reserve.
  - B. It is the intention of this Committee that money be allocated from this reserve account to develop a Comprehensive Needs Assessment and Master Plan for Youth Development and Intervention Services, that development of this plan be done in a fair and impartial manner, and that the public play a key role in helping to develop this plan. Development of the Comprehensive Needs Assessment should be deeply dependent on community input and should not only take inventory of the strengths, weaknesses, opportunities and threats of the Santa Paula Community, but should also include suggestions for successful youth programs and services that can be implemented in Santa Paula that are:
    - A. research based
    - B. address one or more risk factors
    - C. have measurable goals
    - D. include evaluation and monitoring
    - E. are effective at addressing problems and meeting needs
    - F. build on what is already available (existing strengths)
    - G. engage and empower the community in working cooperatively together
    - H. meet the needs of a diverse populations
    - I. are culturally sensitive
    - J. have adequate infrastructure and funding to implement them
    - K. are economically sustainable
  6. It is the intention of this Committee that all remaining funds be used to implement the Master Plan for Youth Development and Intervention Services *after* it has been completed.
  7. It is the intention of this Committee to reconvene at the end of 2017 to review and revise its recommendations to the City Council based on anticipated new information, including the results of the Comprehensive Needs Assessment and Master Plan for Youth Development and Intervention Services. Thus it is the hope of the Committee that this document be completed by November 1, 2017.

# Preliminary Review of 2017-18 Expenditure of Measure T Revenue

Committee Chair Kristin Majda formally presented the Measure T Committee Recommendations to the City Council on June 26th at a special council meeting convened specifically to address the city budget. City staff also presented a revised proposed budget to the City Council at this meeting. The revised proposed budget included recommendations for expenditure of \$676,866 of the Measure T funds for 2017-18. It is important to note that this budget was drafted and presented to the City Council *before* the Measure T Committee made its official recommendations to the Council. The Measure T Committee in no way endorsed the Measure T expenditure recommendations made by City staff.

Despite the fact that the interim budget was developed without the formal recommendations of the Measure T Committee, the City Council voted at the June 26 meeting to adopt the interim budget. Thus this section of the report includes a preliminary review of the proposed expenditures for Measure T funds included in the interim budget.

## GENERAL OBSERVATIONS

Measure T Committee Recommendation	2017-18 Budget Allocations by City Council
<p>1. It is the <b>recommendation</b> of this Committee that the City Council balance the City Budget as if there were no Measure T funds, and then allocate the Measure T funds according to the recommendations outlined by this Committee. This strategy will better ensure that the funds are used to enhance city services rather than supplanting funding for existing services. Cuts made in an effort to balance the City’s budget should not be made disproportionately to police, fire, public works and community services in anticipation of having additional funding from Measure T to support those agencies.</p>	<ul style="list-style-type: none"> <li>About 31% of the total Measure T funds were allocated to balance the city budget before the City Council received the official recommendation from the Measure T Committee. The official recommendation from the Measure T Committee was presented at the same meeting that the proposed interim budget was presented. No changes were made to the proposed interim budget indicating that the recommendations made by the Measure T Committee were not taken into consideration as part of approving the interim budget, which contained allocations from the Measure T Revenues.</li> </ul>

Measure T Committee Recommendation	2017-18 Budget Allocations by City Council
<p>2. It is the <b>recommendation</b> of this Committee that the majority, if not all, of the Measure T Revenue be used to <i>enhance</i> police, fire, and youth services, and to support maintenance and repair of city streets. The Committee strongly believes this was the intention of the voters, which is supported by the results of the Measure T survey conducted in fall of 2016.</p>	<ul style="list-style-type: none"> <li>• Of the \$676,866 in total Measure T funds allocated in the interim budget, \$589,882 of these monies (approximately 26.5% of total Measure T Revenue for 2017-18) was directed towards programs and services that support police, fire, roads and youth while \$86,984 (approximately 3.9% of total Measure T Revenue for 2017-18) was allocated towards other expenses not associated with police, fire, roads, or youth.</li> <li>• \$130,000 or approximately 22% of the the monies allocated towards police, fire, roads and youth were allocated in ways that could be considered to enhance these services, while 78% of the monies allocated towards police, fire, roads and youth were allocated primarily to counteract funding cuts. Furthermore, an additional \$202,706 in funding cuts were made to the Police Department budget apparently in anticipation of additional funding from Measure T.</li> <li>• \$61,028 (approximately 2.7% of the Measure T Revenue for 2017-18) was allocated to pay for the salary of a building inspector (Building and Safety Department). Not only does this allocation not conform to any recommendation by the Committee, but it also infers a long-term commitment to provide annual funding for this expense.</li> <li>• \$25,956 (approximately 1.1% of the Measure T Revenue for 2017-18) was allocated to pay for the salary of a code enforcement officer (Planning Department). Not only does this allocation not conform to any recommendation by the Committee, but it also infers a long-term commitment to provide annual funding for this expense.</li> </ul>

## POLICE FUNDING PRIORITY

Measure T Committee Recommendation	2017-18 Budget Allocations by City Council
<p>3. It is the <b>recommendation</b> of this Committee that 50% of the Measure T revenue (approximately \$665,000) be allocated towards Police Services. The Committee recommends these additional funds be used on things such as:</p>	<ul style="list-style-type: none"> <li>The interim budget shows a total of \$580,434 in cuts to the police department, which is \$202,706 in greater cuts than the initial amount proposed in the May 25 draft budget. Therefore, even though the total funding from Measure T indicated in the interim budget is \$438,184; really only an additional \$235,478 (approximately 10.6% of the Measure T Revenue for 2017-18) was added to the Police Department budget as a result of Measure T.</li> </ul>
<p>A. increasing police salaries to make them more competitive with other Ventura County cities;</p>	
<p>B. enhancing police services by hiring more police officers;</p>	<ul style="list-style-type: none"> <li>\$263,184 (approximately 11.8% of Measure T Revenue for 2017-18) to fund salaries for three vacant police officer positions (however, these are not <i>new</i> positions, so this expense cannot be considered an <i>enhancement</i>).</li> </ul>
<p>C. enhancing and/or adding additional police programs and services;</p>	<ul style="list-style-type: none"> <li>The interim budget included \$130,000 (approximately 5.8% of Measure T Revenue for 2017-18) to fund gang/probation/parole enforcement. <b>(Enhancement)</b></li> </ul>
<p>D. supporting programs and services that prevent crime as opposed to being used solely on programs and services that are strictly reactionary.</p>	
<p>Restoring funding due to budget cuts. These are not considered to be <i>enhancing</i> programs and services.</p>	<ul style="list-style-type: none"> <li>\$24,000 (approximately 1.1% of Measure T Revenue for 2017-18) to restore funding for training equipment due to budget cuts.</li> <li>\$20,000 (approximately 0.9% of Measure T Revenue for 2017-18) to restore funding for maintenance/vehicles &amp; equipment due to budget cuts.</li> </ul>

## FIRE FUNDING PRIORITY

Measure T Committee Recommendation	2017-18 Budget Allocations by City Council
<p>4. It is the <b>recommendation</b> of this Committee that 20% of the Measure T revenue (approximately \$266,000) be set aside in reserve in the event that the annexation of Santa Paula Fire Department by Ventura County Fire fails to occur for whatever reason. In this event, this money would be used to ensure continuation of adequate fire service for the City of Santa Paula. In the event that the annexation does occur, the Committee will provide an interim report with updated recommendations for how to spend this 20% of Measure T funds after November 1, 2017.</p>	
<p>Other allocations for Fire outside of the scope of the specific recommendations made by the Measure T Committee, to include restoring funding due to budget cuts.</p>	<ul style="list-style-type: none"> <li>• \$117,048 to fund salary, benefit and overtime adjustment due to annexation???</li> </ul> <p>How was funding rearranged in the interim budget to accommodate this? Why does the amount designated from Measure T (\$438,184) exceed the amount indicated in the Expenditure Adjustment column (\$16,628). It appears as if annexation by the County will reduce costs by \$16,626; so why is there an allocation from Measure T for \$438,184?</p>

## ROADS FUNDING PRIORITY

Measure T Committee Recommendation	2017-18 Budget Allocations by City Council
<p>5. It is the <b>recommendation</b> of this Committee that 5% of the Measure T revenue (approximately \$66,500) be allocated to the Public Works Department to support implementation of the Pavement Management Plan.</p>	
<p>Other allocations for Roads outside of the scope of the specific recommendations made by the Measure T Committee.</p>	

## YOUTH FUNDING PRIORITY

Measure T Committee Recommendation	2017-18 Budget Allocations by City Council
<p>6. It is the <b>recommendation</b> of this Committee that 5% of the Measure T revenue (approximately \$66,500) be allocated to the Community Services Department to offset recent budget cuts and provide additional funding to restore youth programs facilitated by the Community Services Department.</p>	<ul style="list-style-type: none"> <li>\$34,650 (approximately 1.6% of Measure T Revenue for 2017-18) was allocated to restore funding to the Community Services Department to counteract budget cuts. This is not considered to be <i>enhancing</i> programs and services.</li> </ul>
<p>7. It is the <b>recommendation</b> of this Committee that 20% of the Measure T revenue (approximately \$266,000) be reserved for Youth Programs and Services to be used as follows:</p>	
<p>A. The Committee recommends that the City conduct a Comprehensive Needs Assessment of youth programs and services to determine what needs exist, where current resources already exist, and where gaps in programs and services exist.</p>	
<p>B. The Committee recommends that community outreach and input be a large part of the process of conducting the Comprehensive Needs Assessment.</p>	
<p>C. The Committee recommends that the Comprehensive Needs Assessment be completed before November as it is the intention of this Committee to reconvene in November to form an interim report with updated recommendations.</p>	
<p>D. It is the intention of this Committee that the cost of the Comprehensive Needs Assessment will consume a very small part of this 20% set aside for Youth and that the remaining funds be retained in the reserve account until this Committee can review the results of the Comprehensive Needs Assessment and provide updated recommendations based on those results.</p>	
<p>Other allocations for Youth outside of the scope of the specific recommendations made by the Measure T Committee.</p>	

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## Signatures

This report was approved by the Measure T Committee on **date** and respectfully submitted to the City Council on **date** by the Measure T Committee, composed of the following community members:

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*Kristin Majda - Chair*

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*Jose Luis Melgar - Vice Chair*

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*Rose Chacon - Member at Large*

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*Johnny Flores - Member at Large*

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*Andy Sobel - Member at Large*

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Notes (note part of the report):

- Will City Council be voting on a final budget (as opposed to an interim budget) at their July 31 meeting? We need to make sure they have this report at least a week before then. Andy will be gone all of July except for July 21 - he could read over and send me quick feedback if we want to meet the week after, or he is okay with us meeting sooner.
- Police: City authorizes 32 positions, but currently employs 31 officers, including the two SRO's currently funded by a grant from Limoneira. The three unfunded positions are for one officer to replace an officer who left the department, bringing the department total up to 31, and to replace the funding for the grant-funded SRO's.
- How will Measure T funding be needed to help make the fire transition? Fire is moving towards a Nov 1 annexation date and thus prorating 4 months of service to old Santa Paula City Fire funding formula and remaining 8 months of service to the new Venture County Fire funding formula.
- Most of the funding for road maintenance and repair (approximately \$2.8 million) comes from sources other than the general fund.
- Benefits made up an alarming 40.6% of total expenses for personnel due to the high cost of the retirement plan for City police and fire.