

City of Salinas

200 Lincoln Ave., Salinas, CA 93901
www.cityofsalinas.org



Meeting Minutes - Unofficial

Thursday, May 13, 2021

4:00 PM

Teleconference in accordance with
State of California Executive Order No.N-29-20 and N-35-20

Measure G Oversight Committee

Committee Members:

Maureen Wruck, Mayor

Alondra Medrano, District 1 - Jose Andrew Sandoval, District 2

Jeffrey D. Wardwell, District 3 - Christopher Barrera, District 4

Brigid McGrath Massie, District 5 - VACANT, District 6

Steven S. Carrigan, City Manager

Matt N. Pressey, CPA, Finance Director

City Clerk's Office: (831) 758-7381

PLEDGE OF ALLEGIANCE

Meeting convened at 4:03 p.m.

ROLL CALL

Present: 4 - Chairperson Brigid McGrath Massie
Committee member Jose Andrew Sandoval
Committee member Christopher Barrera
David Hernandez
Absent: 3 - Committee member Jeffrey D. Wardwell
Committee member Maureen Wruck
Committee member Alondra Medrano

GENERAL PUBLIC COMMENTS

No public comment received.

CONSENT**ID#21-015 Minutes**

Upon motion by Committee member Sandoval, seconded by Committee member Barrera, the minutes of October 22, 2020 were approved.

Ayes: 3 - Brigid McGrath Massie, Jose Andrew Sandoval and Christopher Barrera

Absent: 3 - Jeffrey D. Wardwell, Maureen Wruck and Alondra Medrano

Abstain: 1 - David Hernandez

ID#21-099 Minutes

Upon motion by Committee member Sandoval, seconded by Committee member Barrera, the minutes of January 21, 2021 were approved as amended.

Ayes: 3 - Brigid McGrath Massie, Jose Andrew Sandoval and Christopher Barrera

Absent: 3 - Jeffrey D. Wardwell, Maureen Wruck and Alondra Medrano

Abstain: 1 - David Hernandez

ID#21-210 Minutes

Upon motion by Committee member Sandoval, seconded by Committee member Barrera, the minutes of March 18, 2021 were approved.

Ayes: 3 - Brigid McGrath Massie, Jose Andrew Sandoval and Christopher Barrera

Absent: 3 - Jeffrey D. Wardwell, Maureen Wruck and Alondra Medrano

Abstain: 1 - David Hernandez

ADMINISTRATIVE REPORTS**ID#21-207 March 31, 2021 Financial Report**

Finance Director Matt Pressey provided an overview of the March 31, 2021 Financial Report.

As of March 31, 2021 the year to date revenue for Measure G is 21,573,164.46. It is on target with 90% of the total budget received through March 31, 2021.

Expenses:

Department	Amount	% Used / Received
Administration	\$ 68,162.86	64%
Human Resources	\$ 122,897.85	73%
Finance	\$ 423,154.13	76%
Community Development	\$ 367,584.77	69%
Police	\$ 7,607,019.19	81%
Fire	\$ 1,149,547.83	47%
Public Works	\$ 606,940.05	68%
Recreation	\$ 11,108,404.07	72%
Non Departmental	\$ 7,744,623.09	32%

The balance of the one-time expenditures through March 31, 2021 is at 43,906,461 which is 74% of the total budget spent for FY 2020-21.

No action is required. Receive a report on the March 31, 2021 Financial Report.

CONSIDERATIONS**ID#21-208 Review of Independent Audit Report**

Chair McGrath-Massie provided a brief overview on the public report done by the subcommittee that was tasked with reviewing the Independent Audit Report. The subcommittee comprised of Committee members Barrera, Farias, and Chair McGrath-Massie.

Upon motion by Committee member Sandoval, seconded by Committee member Barrera, the Measure G Oversight Committee issued a Public Report to the City Council on the Review of the Independent Audit Report was approved. The motion carried by the following vote:

Ayes: 4 - Brigid McGrath Massie, Jose Andrew Sandoval, Christopher Barrera and David Hernandez

Absent: 3 - Jeffrey D. Wardwell, Maureen Wruck and Alondra Medrano

ID#21-209**FY 2021-22 Operating and Capital Improvement Budgets**

Finance Director Matt Pressey; Assistant City Manager Jim Pia, Community Development Director Megan Hunter; Police Department Management Analyst Tonya Erickson; Fire Chief Michele Vaughn; Public Works Director David Jacobs; and Library and Community Services Director Kristan Lundquist provided an overview of the proposed FY 2021-22 Measure G Operating and Capital Improvement Budgets.

*Proposed Revenue FY 2021-22
27,995,000 is a 33% (6,967,000) increase from FY 2020-21*

<i>Projected Expenses for Department</i>	<i>FY 2021-22 Proposed Budget</i>	<i>% Change</i>
<i>Administration</i>	\$ 128,774	22%
<i>Human Resources</i>	\$ 171,431	2%
<i>Finance</i>	\$ 564,139	2%
<i>Community Development</i>	\$ 540,853	69%
<i>Police</i>	\$ 9,799,78	4%
<i>Fire</i>	\$ 1,949,349	-18%
<i>Public Works</i>	\$ 947,755	-2%
<i>Recreation</i>	\$ 1,403,974	-3%
<i>Non Departmental</i>	\$ 27,945,474	13%
<i>FY 2020-21</i>		
<i>REVENUE TOTALS</i>	<i>21,028,000</i>	<i>33%</i>
<i>EXPENSE TOTALS</i>	<i>24,770,463</i>	<i>13%</i>
	<i>(3,742,463)</i>	<i>3,791,989</i>

Proposed FY 2021-22 CIP Budget

<i>Community Development</i>	<i>3,125,000</i>
<i>Fire</i>	<i>813,745</i>
<i>Public Works</i>	<i>383,870</i>
<i>Recreation</i>	<i>345,000</i>

<i>Total Expenditures:</i>	<i>4,667,615</i>
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Proposed FY 21-22 MG Position List

	<i>FY 20/21</i>	<i>FY 21/22</i>	<i>Change</i>
<i>Police - Sworn</i>	37.0	36.0	(1.0)
<i>Police - Non-Sworn Support</i>	12.0	11.0	(1.0)
<i>Fire - Sworn</i>	14.0	11.0	(3.0)
<i>Fire - Non-Sworn Support</i>	1.0	1.0	-
<i>Code Enforcement</i>	4.0	3.0	(1.0)
<i>Community Development</i>	-	1.0	1.0
<i>Public Works - Clean-up</i>	1.0	1.0	-
<i>Public Works - Park Maintenance</i>	1.0	-	(1.0)
<i>Public Works - Streets</i>	6.0	6.0	-
<i>Recreation</i>	6.0	6.0	-
<i>Recreation - Park Maintenance</i>	-	1.0	1.0

<i>Youth Services & Community Engagement</i>	2.0	1.0	(1.0)
<i>Support - Technology</i>	2.0	2.0	-
<i>Support - Finance</i>	2.0	2.0	-
<i>Support - Human Resources</i>	1.0	1.0	-
<i>Support - Administration</i>	1.0	1.0	-
 <i>Total Positions</i>	 90.0	 84.0	 (6.0)

Committee member Sandoval requested an amendment to the motion to state that the Measure G Oversight Committee does not support the budget as proposed and would like it to reflect more of the ballot language especially streets and sidewalks.

MOTION

Upon motion by Chair McGrath-Massie, second by Committee member Barrera, the Measure G Oversight Committee was not in support of the proposed FY 2021-22 Operating and Capital Improvement Budgets; the Measure G budget should reflect the ballot language; comments on the proposed budget made by the Committee be forwarded to City Council.

No public comment received.

Upon motion by Chairperson McGrath Massie, seconded by Committee member Barrera, the Measure G Oversight Committee was not in support of the proposed FY 2021-22 Operating and Capital Improvement Budgets; the Measure G budget should reflect the ballot language; comments made by the Committee to be forwarded to City Council. The Measure G FY 2021-22 Operating and Capital Improvement Budgets was denied. The motion carried by the following vote:

Ayes: 4 - Brigid McGrath Massie, Jose Andrew Sandoval, Christopher Barrera and David Hernandez

Absent: 3 - Jeffrey D. Wardwell, Maureen Wruck and Alondra Medrano

FUTURE AGENDA ITEMS

Committee member Sandoval requested the City Council consider moving the Measure G Oversight Committee meeting to 5:30 p.m. to allow for more public participation.

Chair McGrath-Massie requested the agenda reflect the issues that were identified in the audit report.

ADJOURNMENT

Meeting was adjourned at 5:26 p.m.

APPROVED:

Brigid McGrath-Massie, Chair

ATTEST:

Elizabeth Soto, Deputy City Clerk

Measure G Oversight Committee
Committee member comments
May 13, 2021

ID# 21-208 Review of Independent Audit Review

Chair McGrath-Massie

On the next page when you look at the category of expenditures, I would point to the 2019-20 audit, there was only 4% was allocated to Public Works, and 13% remained unspent. It was explained to me, that goes to pay off people for the furloughs, but also for capital improvement projects. Which at some level could be streets and sidewalks, but there are so many Capital Improvement projects it was really hard to see. When you look at the wording of the language this allocation, clearly 50% it's going to police and fire, which pretty much, reflects what is happening in the overall city budget. We were hoping recreation would be more but was only had 4% of the budget. Again, that is what the budget told us.

“I’d like it to be on the minutes moving forward, our priorities to be effective as a committee.” One would be metrics, quantification of how many students have been served. Our Committee members were concerned about equity among the districts because they were considerable sentiment, that perhaps, some districts have been really funded with some things and not others. We were also concerned about cost controls on public safety. Again, the main priority of our group, was the alignment of the expenditures to the budget ballot language so that when we talk to people about this Measure G, in our oversight responsibilities, that they are congruent and aligned.

Chair McGrath-Massie read the conclusion of the public report submitted by the Subcommittee as follows:

Conclusion: Funds collected under Measure G are being strategically expended to address the priorities of the City Council. Members of the Audit Committee, a Subcommittee of the Citizen’s Oversight Committee, look forward to providing input and leadership in ensuring future expenditures are monitored, measured, and transparently reported in alignment with the ballot language of Measure G.

Our mission is to be influencers, with the City Council on any concerns we have, regarding the expenditures of Measure G funds, because they are the deciders. If we are concerned that only 4% is going to Public Works, is our responsibility going forward, to communicate that to our legislators and work with them to bring to their consciousness the current state of affairs.

Committee member Barrera

Committee member Barrera stated, “At the end of the day it is about priorities and our priorities should be giving to our residents the reason why they voted for this measure. We are not up to par.” We should not be allowing departments to go overbudget and then covering them, or we should allow departments to overbudget for the year. Not to let them pat for the year because we have a responsibility and the community knows who is on this Board. Trust me, I get a lot of phone calls about the funds that should be going to the communities. Law enforcement and fire

are very important to our community but so are other things like parks and rec, and our children, things like that, that the residents of Salinas so desperately need. Yes, so I am in total favor of this audit and thank you to Brigid.

Committee member Sandoval

Committee member Sandoval said, "I know, I know that Staff, and committee members know this well, but I am going to go ahead and read the wording of Measure G: *"To improve the quality of life, maintain and enhance city services and facilities, including crime and gang prevention; neighborhood policing and school safety; safety inspections; police, fire and paramedic response; fixing potholes, streets and sidewalks; recreation and programs for youth and seniors; and other city services."*"

That was the wording of it, and I know in a broader aspect we are covering that. I guess, where the residents were expecting that in an ideal situation this would be equitable distributed amongst the things listed in here. I guess if we just go off of word count, fixing potholes, streets and sidewalks, recreation programs for youth and seniors. It's the bulk of this measure, but it's really not the bulk, it's almost just like it is there, not made a priority. I knowledge, that technically, all these things may be covered, except for I haven't really seen much mention of senior services except for facilities. But the bulk of the measure mentions things that are not the bulk of where the funding goes. So, I was caught off guard with this.

I think they did a really great job, and noted some really good things going forward and down some priorities of the measure G committee members would like to see. As we continue to move forward, and I know that everything takes time in government, but as we continued to have these discussions, you know, I think we're all on the same page where we want to see these things move forward, I think they are all within the purview of the measure G committee. I haven't seen otherwise, on any other legal form, or even the ballot language does not say no you can't do this, or no don't do this. I just want to see us making progress in making decisions that will benefit the community as a whole. And just like we were looking at what percentages were for the Rec department, we saw the police department and some of the items was like 116%, and I wish the Rec department could overspend. Or the sidewalks, can say, we spent an extra 2 million dollars, but the Measure G is going to cover that. As we go to more equitable amongst districts, and I appreciate that, that is some of that will be addressed at the next budget, but in services it would be more equitable.

ID#21-209 FY 2021-22 Operating and Capital Improvement Budgets

Committee member Sandoval

"We really focus on the Measure G funds and understand there are different aspects, and when I see things going over budget, for those funds, that is how I see it. Somethings are over budget and somethings are not, are short. Again, we go back to the ballot language, one, I'm concerned for 2031. All of the amazing things, all of the amazing staff that we are funding through this, may disappear and part of our responsibility and as part of the Measure G Oversight is to ensure that those funds get used where the voters think, thought, or had the assumption that it would be

spent. Because when we come to 2031 and I'm sure we are going to go to the voters again, we are going to say, we could lose all of these things, we want to be able to make sure that, as a committee we made sure that the original ballot was correct and followed to the best of our ability so that they can feel confident to make those votes in the future. I do think that all of the personnel, and all that was presented to us is needed and it does help our community.

"The amount is just not there for streets and sidewalks, in my opinion, it is just not there." I saw a post today on social media from a McShane making those same comments, that him and Cromeenes partnered up for a future agenda item on city council, regarding this same issue and asking the public to make public comment, to show up. But from my perspective, being someone that speaks up and shows up, sometimes we feel not listened to. There is that discouragement. Funds are not really being shifted towards that."

"We talk a lot about police and fire, and they are very crucial, I just wished that out of Measure G, and I am just making a comment that the public and the Council can really move on that, that it needs to be, we need to do right by our citizens." "Not because somebody messed up 20 years ago and picked the wrong tree, should the residents be left with sidewalks that they can't walk on, potholes that mess up their vehicles." I had a friend that almost broke her nose falling on one of those sidewalks, I guess maybe there will be more effectiveness if more people call those things in, and maybe the liability would fall on the city for those medical bills. with that that is a service that the city should be providing, they should have safe sidewalks and safe streets."

Committee member Barrera

Committee member Barrera commented, "When people voted for Measure G, they were thinking of getting their own sidewalks and potholes fixed and the list goes on and on." At the end of the day, 1.4 million for Parks and Rec, that is down 46,000 from last year. How do you justify that to people that voted "yes for Measure G"? And all of the money that was not spent for Parks and Rec last year, it would be great to double up, what happened to that money from last year?

Committee member Barrera asked how much money was going to sidewalk and potholes, in response, Mr. Pressey answered, from Measure G this year, there are no capital projects for sidewalks, there is other funding sources.

Committee member Barrera stated, "that was one of the main highlights for Measure G other than the police department, fire, and park and rec." "How can you justify not using these funds for sidewalks and potholes." When I was walking the neighborhoods during my campaign, that was one of the number one complaint for the city. Some people would cut their own tree or replace their own sidewalks because they lost faith in the city.

Committee member Hernandez

Committee member Hernandez said, "When the measure was presented to us, as residents of the City of Salinas, it was presented to us in a way it was going to be for safety, sidewalks, recreating, neighborhood services, a lot of promises were given that is why residents voted in a

certain way. I've attended recreation plan meetings, General Plan meetings, workshops, and the community said the same thing, that they want more recreation, more services.

Committee member Hernandez asked, on the Capital Improvement projects, if a project did not spend the full budgeted amount would the department be allowed to use those funds for something else? In response, Finance Director Matt Pressey stated that those funds are transferred and made available for new projects and requires Council approval in order for those funds to be moved to another project

Chair Brigid McGrath-Massie

I do not support the budget as proposed. I look again and 6% for Public Works. I echo the literal constitution interpretation and 3 million for Alisal Vibrancy, not that it is not important, but it does not keep the promises we made. I also worked on the campaign, and I also live on a street that has appalling sidewalks and drive on a street that has huge potholes.

My comment is that I do not support it, there is a mal distribution and I think that although departments are doing extremely worthwhile work, money is being taken from Measure G and it is extended in a way that it is covering other people's budget and not keeping the promises, in my opinion, that were made.

Committee member Sandoval requested an amendment to the motion to state that the Measure G Oversight Committee does not support the budget as proposed and would like it to reflect more of the ballot language especially streets and sidewalks.

MOTION

Upon motion by Chair McGrath-Massie, second by Committee member Barrera, the Measure G Oversight Committee was not in support of the proposed FY 2021-22 Operating and Capital Improvement Budgets; the Measure G budget should reflect the ballot language; comments on the proposed budget made by the Committee be forwarded to City Council.

No public comment received.

Committee member comments/Future Agenda Items

Committee member Sandoval requested the City Council consider moving the Measure G Oversight Committee meeting to 5:30 p.m. to allow for more public participation.

Chair McGrath-Massie requested the agenda reflect the issues that were identified in the audit report.

Meeting was adjourned at 5:26 p.m.

Measure G Subcommittee

Review of the Independent Audit for the fiscal year ending June 30, 2020

Background:

- At the January 21, 2021 meeting of the full Citizen's Oversight Committee for Measure G, the following were appointed as a Subcommittee to review the Independent Audit of Measure G as called for in the initial ballot language. Appointed as Chair was Brigid McGrath Massie with Subcommittee members Aidee Farias and Chris Barreras. Each Subcommittee member received a full copy of the Audit from Matt Pressey, Finance Director to review. According to page R-4 of the audit document, "The Measure G Oversight Committee is a fundamental provision of the voter-approved tax." "The committees' main responsibilities include the review of the auditor's report of the specific uses of Measure G funds and to issue a public report to the City Council regarding the use of revenue and such other matters as the City Council may assign."

Purpose:

- The purpose of the audit is to determine whether generally accepted accounting principles are followed in the allocation and expenditure of the funds collected under the auspices of the Measure G ballot measure.
- Clearly, the funds are being expended appropriately for a *general tax measure*.
- Additionally, it is understood that as *general tax measure*, the expenditures are made within the entire budgetary process which is the purview of the City Council to prioritize and approve.

Wording of Measure G:

- “To improve the quality of life, maintain and enhance city services and facilities, including crime and gang prevention; neighborhood policing and school safety; safety inspections; police, fire and paramedic response; fixing potholes, streets and sidewalks; recreation and programs for youth and seniors; and other city services.”

Category of Expenditure	Amount Spent	% of Amount Spent
General government	\$1,312,892	6%
Public safety (Police/Fire)	\$11,473,597	50%
Public Works	\$1,023,699	4%
Recreation	\$975,958	4%
Capital Outlay	\$23,265	0%
Transfers*	\$8,309,291	36%
Total spent	\$23,118,702	100%
Total amount collected	\$26,613,814	
Total spent	\$23,118,702	
Unspent**	\$3,495,112	13%

***Note:** These transfers directly address strategic investment in public facilities, addressing shortfalls in employee compensation since 2015 (furloughs) and costs associated with the addition of new employees to restore and expand City-provided services.

****Note:** Typically, the 13% that is unspent will carry-over to the next fiscal year and be expended on one-time projects determined by the City Council.

Going Forward:

- A review of the expenditures since the passage of Measure G illustrate the challenging financial pressures faced by the City since 2015.
- Some specific priorities identified in Measure G have not been able to receive the level of funding due to significant disruption in economic conditions.
- However, with improving economic conditions, the passage of Measure X and SB1 (State gas tax funds for transportation, streets and roads), some categories can be prioritized in the future.

Subcommittee Member's Priorities:

For fiscal year 2021-2022, Subcommittee members will work with their appointing City Council members and the professional staff of the City's Finance Department to advocate for the following priorities:

Committee Member Farias:

- Measurement of results (metrics)
- Quantification of how many citizens have been served
- Equity in the allocation of Measure G funds
- Firstly, the cost controls for public safety should be introduced or at minimum discussed to see how best to lower budgeting overages.
- I think we need to show that a sales tax measure such as this one truly supports needs across all categories and not predominantly leans on one at the cost of others.
- Based on my recommendation to decrease public safety budget spending via implementing a threshold for spending beyond budget and increasing work projects by other departments such as public works to address backlogs, I would recommend increasing funding for recreational programs and parks for maintenance.

- **Committee Member Barreras:**
- Identifying where in the City Measure G funds are being spent
- On-going monitoring of expenditures to ensure all funds are expended

Committee Member McGrath Massie:

- Alignment of expenditures to the ballot language
- Reviewing how Measure G fits into the City's entire budget and how it addresses specific priorities

Conclusion: Funds collected under Measure G are being strategically expended to address the priorities of the City Council. Members of the Audit Committee, a Subcommittee of the Citizen's Oversight Committee, look forward to providing input and leadership in ensuring future expenditures are monitored, measured and transparently reported in alignment with the ballot language of Measure G.

Respectfully,

Brigid McGrath Massie
Chair, Measure G Audit Subcommittee