

Annual Report of the Measure A Citizens Oversight Committee

Fiscal Year 2019-20

Measure A Background

On June 5, 2018, Chula Vista voters passed Measure A, the half-cent sales tax measure to fund public safety staffing and services. The new tax allows the Chula Vista Fire and Police Departments to provide faster responses to 9-1-1 emergency calls, increase neighborhood police patrols, reduce gang and drug-related crimes, address homelessness, and improve firefighter, paramedic and emergency medical response times. The tax took effect on October 1, 2018, and brought Chula Vista's tax rate to 8.75 percent.

Citizens Oversight Committee

As stipulated by the City of Chula Vista Municipal Code Chapter 2.63, the Measure A Citizens' Oversight Committee ("COC") was created for the purpose of providing citizens' oversight in connection with expenditures of tax revenues generated by Measure A. The function of the COC is to review and report on City compliance with the provisions of Measure A, particularly with respect to the City's accounting and expenditure of Measure A revenues. The Measure A COC held its first meeting on September 26, 2018, and now meets quarterly on the second Thursday of January, April, July and October.

The Measure A COC is composed of twelve members appointed to four-year terms. All terms expire June 30th on the year listed below. The COC members as of 6/30/2020 are:

Member	Appointment Criteria	Term Expiring
David Stucky (Vice Chair)	District 1 Rep.	2022
Pedro Anaya	District 2 Rep.	2021
Heather Rubio	District 3 Rep.	2021
John Volland	District 4 Rep.	2022
Francisco Escobedo	Chula Vista Chamber of Commerce Rep.	2023
David Martinez (Chair)	Chula Vista Police Officers Association Rep.	2024
Darrell Roberts	Chula Vista International Association of Fire Fighters Rep.	2021
Nicole Hobson	Association of Chula Vista Employees Rep.	2024
Raymundo Alatorre	Growth Management Oversight Commission Rep.	2023
Manolo Guillen	Chula Vista Fire Chief Rep.	2022
Gary Ficacci	Chula Vista Police Chief Rep.	2023
Lynnette Tessitore	Chula Vista Mid/Managers/Professional Association Rep.	2024

The specific duties of the COC are as follows:

1. Review and comment on each year's: (1) Finance Department Report (as defined in CVMC section 3.34.160.A); (2) Measure A Spending Plan (as defined in CVMC section 3.34.160.B); and (3) Annual Independent Auditor's Report (as defined in CVMC section 3.34.160.C).

2. Make determinations as necessary and appropriate regarding City compliance with Measure A requirements.
3. Work with City staff to identify and apply "best practices" for tracking and reporting on Measure A revenues and expenditures relative to other Public Safety Department revenues and expenditures.
4. Prepare an annual report regarding the Finance Department Report for presentation to the City Council at a public meeting.

Highlights of Measure A Activities during Fiscal Year 2019/2020:

- Measure A COC held five meetings between July 2019 and June 2020. The meeting held in May 2020 and June 2020 were via teleconference per Emergency Order 002-B-2020.
- Fire Captain Ewert presented an update on the development of a new Measure A website. This new website will streamline and have more relevant information of what Measure A COC is doing now.
- Commission approved the proposed amendments to the Measure A intended Expenditure Plan to add two Digital Forensic Technician positions in Fiscal Year 2019/2020.
- Commission approved the proposed Ten-Year Spending plan for Fiscal Year 2019/2020.
- Police Captain Saltee proposed moving up three civilian positions that are in the original Measure A COC Expenditure Plan from Fiscal Year 2020/2021 to Fiscal Year 2019/2020. Re-classify one Police Agent to Police Sergeant and amend the revenue and expenditure budget in Fiscal Year 2019/2020. Commission moved to approve proposed amendments and forward to council.
- Fire Chief Geering proposed amendments to the Measure A public safety expenditure plan to add three firefighters for the Millenia Fire Station, accept reimbursements from the FEMA Safer Grant, plan for the restructuring of the squad staffing model to allow for the expansion on 4.0 staffing and amend the Revenue and Expenditure budget in Fiscal Year 2019/2020. Commission approved the proposed amendments.
- Police Department proposed amendments to the Measure A Public Safety Plan to add one Police Agent and three Peace Officers and amend the revenue and expenditure budget in fiscal Year 2019/2020 to combat illegal cannabis operations. Commission approved the staff report and recommend to council for approval.
- City Attorney's office proposed amendments to the Measure A Public Safety Expenditure Plan to move the Criminal Prosecutor position out the overhead and into the Neighborhood Protection Unit component of the plan, adding the positions of paralegal and investigator. The Committee voted 4-2 to approve the City Attorney's proposal, however 6 affirmative votes are required for official Committee action; therefore, no official action was taken.
- Commission approved the proposed Measure A Ten-Year Spending Plan and Spending Plan for Fiscal Year 2020/2021 and determined their compliance with Measure A requirements.

Board/Commission comments or recommendations to Council:

- Chief Geering and Deputy Fire Chief Muns proposed a recommendation to city council for a one-time loan of Measure A funds for startup costs for Fire Department Ambulance Based Transport. Commission approved the proposed recommendation.

POLICE DEPARTMENT STAFFING PLAN AS OF 7/1/2019

Position	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	TOTAL FTE
Police Sergeant		2.0	2.0	1.0		5.0
Police Agent	1.0	2.0	3.0	2.0		8.0
Peace Officer	4.0	3.0	5.0	5.0	1.0	18.0
TOTAL SWORN	5.0	7.0	10.0	8.0	1.0	31.0
Civilian Background Investigator	1.0					1.0
Community Services Officer		2.0				2.0
Police Comm Systems Manager			1.0			1.0
Police Dispatcher	2.0	3.0	2.0			7.0
Sr. Police Technology Specialist	1.0					1.0
TOTAL CIVILIAN	4.0	5.0	3.0	0.0	0.0	12.0
TOTAL POLICE POSITIONS	9.0	12.0	13.0	8.0	1.0	43.0

POLICE DEPARTMENT STAFFING PLAN AS OF 6/30/2020

Staff changes highlighted in yellow

Position	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	TOTAL FTE
Police Sergeant		3.0	2.0	1.0		6.0
Police Agent	1.0	2.0	3.0	2.0		8.0
Peace Officer	4.0	6.0	5.0	5.0	1.0	21.0
TOTAL SWORN	5.0	11.0	10.0	8.0	1.0	35.0
Civilian Background Investigator	1.0					1.0
Community Services Officer		2.0				2.0
Digital Forensics Technician		2.0				2.0
Police Comm Systems Manager		1.0				1.0
Police Dispatcher	2.0	5.0				7.0
Sr. Police Technology Specialist	1.0					1.0
TOTAL CIVILIAN	4.0	10.0	0.0	0.0	0.0	14.0
TOTAL POLICE POSITIONS	9.0	21.0	10.0	8.0	1.0	49.0

FIRE DEPARTMENT STAFFING PLAN AS OF 7/1/2019

FTE BALANCE:	FY19	FY20	FY21	FY24	FY25	Total
DEPUTY FIRE CHIEF (ADMINISTRATION & EMS)	2.00	-	-1.00	-	-	1.00
FIRE CAPTAIN (SQUADS)	2.00	2.00	-	2.00	2.00	8.00
FIREFIGHTER/PARAMEDIC (SQUADS)	2.00	2.00	-	2.00	2.00	8.00
FIREFIGHTER EMT (4.0 STAFFING)	12.00		3.00	3.00		18.00
PUBLIC EDUCATION & MEDIA SERVICES	1.00					1.00
TOTAL FIRE PERSONNEL	19.00	4.00	2.00	7.00	4.00	36.00

FIRE DEPARTMENT STAFFING PLAN AS OF 6/30/2020

Staff changes highlighted in yellow

FTE BALANCE:	FY19	FY20	FY21	FY24	FY25	Total
DEPUTY FIRE CHIEF (ADMINISTRATION & EMS)	2.00	-	-1.00	-	-	1.00
FIRE CAPTAIN (SQUADS) *	2.00	2.00	-	2.00	2.00	0.00
FIREFIGHTER/PARAMEDIC (SQUADS) *	2.00	2.00	-	2.00	2.00	0.00
FIREFIGHTER EMT (4.0 STAFFING)	12.00	12.00		3.00		27.00
PUBLIC EDUCATION & MEDIA SERVICES	1.00					1.00
TOTAL FIRE PERSONNEL	15.00	12.00	-1.00	3.00	0.00	29.00

Audited Statement of Revenues, Expenditures and Changes in Fund Balance
June 30, 2020

Police Department Fund Balance

Police Fund Balance as of 7/1/2019 **\$6,492,354**

1/2 cent Sales Tax Revenue \$10,005,247

CARES Act/FEMA Funding \$4,510

Police Revenue Total **\$10,009,757**

Personnel Expenses \$2,593,434

Supplies & Services \$110,572

Police Vehicles, Outfitting, Maint., Fuel, etc. \$118,739

City Support Staff (IT, Finance, HR, City Attorney, etc) \$375,197

Police Expenditure Total **\$3,197,943**

Police Fund Balance as of 6/30/2020 **\$13,304,169**

Fire Department Fund Balance

Fire Fund Balance as of 7/1/2019 **\$4,810,856**

1/2 cent Sales Tax Revenue \$10,114,409

FEMA SAFER Grant Reimbursement \$82,405

Fire Revenue Total **\$10,196,813**

Personnel Expenses \$4,439,998

Supplies & Services \$389,407

Fire Vehicles, Outfitting, Maint., Fuel, etc. \$921,964

Transfers Out (Vehicle Replacement Fund) \$218,942

City Support Staff (IT, Finance, HR, City Attorney, etc) \$375,197

Fire Expenditure Total **\$6,345,508**

Fire Fund Balance as of 6/30/2020 **\$8,662,162**

Combined Police and Fire

Combined Measure A Fund Balance as of 7/1/2019 \$11,303,210

Total Combined Revenues \$20,206,571

Total Combined Expenditures \$9,543,450

Combined Measure A Fund Balance as of 6/30/2020 **\$21,966,331**

Conclusion

The Citizens Oversight Committee notes that this Annual Report refers only to the period from July 1, 2019 to June 30, 2020. This report presents the first full year of collections and expenditures for the Measure A funds.

The Citizens Oversight Committee has reviewed the Independent Auditor's Report on Compliance with Applicable Requirement prepared by the audit firm of Lance, Soll and Lunghard (LSL), the Measure A Spending Plan, and various expenditure and revenue reports prepared by the City staff. In its report dated June 30, 2020, the auditor "did not identify any deficiencies in internal control over compliance...". Further, it was the auditor's opinion that "the City complied, in all material respects, with the requirements..." of the 2018 Measure A Sales Tax Fund.

We would like to acknowledge City staff for their dedication and support to the COC. They have been responsive as we work to ensure transparency in the reporting of Measure A Funds.

Attachment A – Fiscal Year 2019/20 Auditor's Measure A Report on Compliance

Attachment B – Fiscal Year 2019/20 Measure A Financial Report (For Informational Purposes Only)



CITY OF CHULA VISTA, CALIFORNIA 2018 MEASURE A SALES TAX FUND

FOR THE YEAR ENDED JUNE 30, 2020

REPORT ON COMPLIANCE WITH THE
PUBLIC SAFETY EXPENDITURE PLAN

Focused
on YOU



CITY OF CHULA VISTA, CALIFORNIA
2018 MEASURE A SALES TAX FUND

REPORT ON COMPLIANCE WITH THE
PUBLIC SAFETY EXPENDITURE PLAN

FOR THE YEAR ENDED JUNE 30, 2020

CITY OF CHULA VISTA, CALIFORNIA

2018 MEASURE A SALES TAX FUND

JUNE 30, 2020

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH APPLICABLE REQUIREMENTS AND ON INTERNAL CONTROL OVER COMPLIANCE

To the Honorable Mayor and Members of the City Council
City of Chula Vista, California

Report on Compliance

We have audited the compliance of the 2018 Measure A Sales Tax Fund of the City of Chula Vista, California (the "City") with the types of compliance requirements described in *Ordinance No. 3415 (the Ordinance)* and the *Public Safety Expenditure Plan (the Spending Plan)* for the year ending June 30, 2020.

Management's Responsibility

Management is responsible for compliance with the requirements of the Ordinance and the Spending Plan.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance with the requirements described in the Ordinance and the Spending Plan based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred above that could have a direct and material effect on the 2018 Measure A Sales Tax Fund of the City. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the of the City. However, our audit does not provide a legal determination of the City's compliance with those requirements.

Opinion

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to the 2018 Measure A Sales Tax for the year ending June 30, 2020.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the City to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal controls over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.





To the Honorable Mayor and Members of the City Council
City of Chula Vista, California

Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance of the Ordinance and the Spending Plan on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of the Ordinance and the Spending Plan will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Ordinance and the Spending Plan. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Lance, Soll & Lughard, LLP". The signature is written in a cursive, flowing style.

Brea, California
January 29, 2021

CITY OF CHULA VISTA, CALIFORNIA
SCHEDULES OF 2018 MEASURE A SALES TAX FUND

BALANCE SHEET
JUNE 30, 2020

Assets:	
Pooled cash and investments	\$ 22,401,307
Total Assets	\$ 22,401,307
Liabilities and Fund Balance:	
Liabilities:	
Accounts Payable	\$ 46,120
Accrued Liabilities	388,857
Total Liabilities	434,977
Fund Balance:	
Assigned for Measure A Sales Tax	21,966,330
Total Fund Balance	21,966,330
Total Liabilities and Fund Balance	\$ 22,401,307

CITY OF CHULA VISTA, CALIFORNIA
SCHEDULES OF 2018 MEASURE A SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2020

Revenues:	
Local sales and use tax	\$ 20,206,572
Total Revenues	20,206,572
Expenditures:	
Public safety	8,292,507
Capital outlay	1,032,001
Other Financing Uses	218,942
Total Expenditures	9,543,450
Net Change in Fund Balance	10,663,122
Fund Balance - Beginning	11,303,208
Fund Balance - Ending	\$ 21,966,330

Attachment B

CITY OF CHULA VISTA
2018 MEASURE A SALES TAX
BUDGET OVERVIEW BY DEPARTMENT AND BUDGET CATEGORY
FOR THE YEAR ENDED JUNE 30, 2020

Dept/Budget Category	Original Budget	Transfers/ Adjustments	Revised Budget	Actual	Available
Revenue					
222 2018 Measure A Sales Tax					
14-Police					
Federal Revenue	0	(4,511)	(4,511)	(4,510)	(1)
Transfers In	(9,133,000)	(872,247)	(10,005,247)	(10,005,247)	(0)
14-Police Total	(9,133,000)	(876,758)	(10,009,758)	(10,009,757)	(1)
15-Fire					
Federal Revenue	0	(82,405)	(82,405)	(82,405)	(0)
Transfers In	(9,133,000)	(1,308,326)	(10,441,326)	(10,114,409)	(326,917)
15-Fire Total	(9,133,000)	(1,390,731)	(10,523,731)	(10,196,813)	(326,918)
222 2018 Measure A Sales Tax	(18,266,000)	(2,267,489)	(20,533,489)	(20,206,571)	(326,918)
Revenue Total	(18,266,000)	(2,267,489)	(20,533,489)	(20,206,571)	(326,918)
Expense					
222 2018 Measure A Sales Tax					
14-Police					
Personnel Services	3,579,846	633,446	4,213,292	2,593,434	1,619,858
Supplies & Services	315,849	43,730	359,579	110,572	249,006
Other Expenses	342,488	13,762	356,250	375,197	(18,947)
Other Capital	165,000	163,029	328,029	118,739	209,290
14-Police Total	4,403,183	853,967	5,257,150	3,197,943	2,059,207
15-Fire					
Personnel Services	5,761,653	142,721	5,904,374	4,439,998	1,464,376
Supplies & Services	356,360	147,095	503,455	389,407	114,048
Other Expenses	342,488	13,762	356,250	375,197	(18,947)
Other Capital	0	779,776	779,776	913,262	(133,486)
Internal Service	0	0	0	8,702	(8,702)
Transfers Out	218,942	0	218,942	218,942	0
15-Fire Total	6,679,443	1,083,354	7,762,797	6,345,508	1,417,289
222 2018 Measure A Sales Tax	11,082,626	1,937,321	13,019,947	9,543,450	3,476,496
Expense Total	11,082,626	1,937,321	13,019,947	9,543,450	3,476,496
Grand Total	(7,183,374)	(330,168)	(7,513,542)	(10,663,121)	3,149,578

CITY OF CHULA VISTA
2018 MEASURE A SALES TAX
BUDGET OVERVIEW BY DEPARTMENT AND ORG NAME
FOR THE YEAR ENDED JUNE 30, 2020

Dept/Org Name	Original Budget	Transfers/ Adjustments	Revised Budget	Actual	Available
Revenue					
14-Police					
222369-Measure A Police Admin	(9,133,000)	(872,247)	(10,005,247)	(10,005,247)	(0)
222088-Measure A Community Patrol	0	(1,207)	(1,207)	(1,207)	0
222160-Measure A Police Dispatch	0	(3,064)	(3,064)	(3,064)	(0)
222123-Measure A Crimes of Violence	0	(71)	(71)	(71)	(0)
222122-Measure A Family Protect Unit	0	(169)	(169)	(169)	(0)
14-Police Total	(9,133,000)	(876,758)	(10,009,758)	(10,009,757)	(1)
15-Fire					
222374-Measure A Fire Admin	(9,133,000)	(1,385,982)	(10,518,982)	(10,192,065)	(326,917)
222376-Measure A Fire Operations	0	(4,749)	(4,749)	(4,749)	(0)
15-Fire Total	(9,133,000)	(1,390,731)	(10,523,731)	(10,196,813)	(326,918)
Revenue Total	(18,266,000)	(2,267,489)	(20,533,489)	(20,206,571)	(326,918)
Expense					
14-Police					
222370-Measure A City Support Police	342,488	13,762	356,250	375,197	(18,947)
222088-Measure A Community Patrol	2,795,569	(8,202)	2,787,367	1,896,863	890,504
222158-Measure A Prof Standards	106,712	0	106,712	141,025	(34,313)
222159-Measure A Police Technology	319,930	0	319,930	164,238	155,692
222160-Measure A Police Dispatch	646,112	288,644	934,756	375,474	559,282
222123-Measure A Crimes of Violence	96,186	0	96,186	39,191	56,995
222157-Measure A Forensic Services	0	0	0	59,523	(59,523)
222122-Measure A Family Protect Unit	96,186	164	96,350	43,012	53,338
222121-Measure A School Resource Offc	0	226,711	226,711	27,679	199,032
222099-Measure A Community Relations	0	222,874	222,874	36,350	186,524
222128-Measure A Special Invest Unit	0	110,014	110,014	39,391	70,623
14-Police Total	4,403,183	853,967	5,257,150	3,197,943	2,059,207
15-Fire					
222374-Measure A Fire Admin	890,154	126,997	1,017,151	939,764	77,387
222375-Measure A Fire Squad	2,265,378	(179,441)	2,085,937	1,901,012	184,926
222376-Measure A Fire Operations	2,550,538	855,020	3,405,558	2,551,094	854,465
222377-Measure A City Support Fire	342,488	13,762	356,250	375,197	(18,947)
222187-Measure A Fire Academy	630,885	267,015	897,900	578,442	319,458
15-Fire Total	6,679,443	1,083,354	7,762,797	6,345,508	1,417,289
Expense Total	11,082,626	1,937,321	13,019,947	9,543,450	3,476,496
222 2018 Measure A Sales Tax Total	(7,183,374)	(330,168)	(7,513,542)	(10,663,121)	3,149,578
Grand Total	(7,183,374)	(330,168)	(7,513,542)	(10,663,121)	3,149,578