



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 20-044

Board Meeting Date: 2/25/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Michael P. Callagy, County Manager
Subject: Measure K Oversight Committee's Annual Report for Fiscal Year 2018-19

RECOMMENDATION:

Accept the San Mateo County Measure K Oversight Committee's Annual Report for Fiscal Year 2018-19.

BACKGROUND:

Measure A is the ten-year half-cent general sales tax approved by San Mateo County voters in November 2012. On November 8, 2016, the voters of San Mateo County approved Measure K, which extends Measure A for an additional 20 years. The Measure requires the appointment of "a committee to perform an annual audit of the general fund revenues generated by [the] Retail Transactions (Sales) and Use Tax." That Committee is bound by a set of Bylaws and Rules of Procedure ("Bylaws"), which set forth the operating procedures and duties of the Measure K Oversight Committee. One of the requirements laid out in the Bylaws is for the Committee to present an annual report to the Board of Supervisors with the Committee's review of (1) the annual audit of Measure K receipts, (2) the results of the Agreed-Upon Procedures (AUP) on Measure K spending, and (3) the performance report for existing Measure K initiatives.

DISCUSSION:

The Measure K Oversight Committee met in November and February to complete its review of the results of the annual audit and AUP performed by the Controller's Office and the annual performance report prepared by the County Manager's Office for the fiscal year ending June 30, 2019. Following the approval of the audit and AUP, an ad hoc committee was formed to recommend revisions to performance measures for existing programs and initiatives. The annual audit, AUP, and Performance Report for FY 2018-19 Measure K initiatives and programs are included in this annual report.

Summary of Controller's Audit of Receipts and Review of Spending

The annual report contains the results of the Controller's audit of Measure K receipts and results of the AUP on Measure K spending for the period covering July 1, 2018 to June 30, 2019. Measure K

receipts in the amount \$98,604,386 were received, a 10% increase from the previous year. Measure K expenditures were \$102,600,256, in the categories of public safety, health and mental health, youth and education, housing and homelessness, parks and environment, older adults, veterans and community services, and district-discretionary spending. There was a minor exception noted in the audit and AUP that has been reconciled and corrected. The Committee accepted the Controller's Report at its November meeting.

Summary of County Manager's Performance Report

There are 227 unique performance measures monitored for Measure K initiatives through June 30, 2019.

Based on data reported by County departments:

- 68% of performance measures are meeting targets for FY 2018-19
- 32% are not meeting targets or are still in progress

Recommendations from the Committee regarding performance measures and reporting format have been incorporated into this annual report or will be included in future reports.

FISCAL IMPACT:

There is no fiscal impact in accepting this report.

ATTACHMENTS: Measure K Oversight Committee Fiscal Year 2018-19 Report:

- Letter from Chair of Measure K Oversight Committee
- Executive Summary
- Controller's Report: Audit of Receipts and Results of Agreed Upon Procedures
- County Manager's Performance Report
- Recommendations from Measure K Performance Measures Ad Hoc Committee