

February 6, 2024

Measure K Citizens Oversight Committee
Kern County Administrative Center
1115 Truxtun Avenue
Bakersfield, CA 93301

**FISCAL YEAR 2023-2024 MID-YEAR STATUS REPORT FOR ACTIVITIES FUNDED
WITH MEASURE K - UNINCORPORATED KERN COUNTY PUBLIC SAFETY/VITAL
SERVICES LOCAL MEASURE**

Fiscal Impact: None

On November 8, 2022, voters within unincorporated areas of the County approved the Unincorporated Kern County Public Safety/Vital Services/Local Control Measure, also known as Measure K. The Measure is a locally controlled one-cent sales tax providing an estimated \$56 million in annual revenue for the County of Kern to address top priorities identified by the community including enhancing public safety, reducing homelessness and bolstering economic development activities. The Measure became effective April 1, 2023.

Measure K was placed on the ballot to maintain and enhance vital services after receiving residents' feedback about community priorities. County staff gathered feedback through community surveys and hosted more than 20 community meetings. Measure K contains specific priorities to be addressed through implementation plans. The spending priorities include:

1. Maintaining vital local services such as law enforcement, fire, and 911 response
2. Maintaining medical emergency response
3. Preventing thefts and property crimes
4. Recruiting and retaining qualified Sheriff's deputies and firefighters
5. Improving Sheriff, fire and 911 response
6. Attracting new industries and jobs
7. Helping address mental health and addiction challenges
8. Preserving library services

The focus of the first-year proposed expenditures is to address the community priorities by enhancing public safety, addressing mental health and addiction challenges, recruiting and retaining qualified public safety personnel, preserving library services and setting aside contingencies to mitigate unanticipated economic downturn. The purpose of this report is to provide an update on revenue collections and the programs funded with Measure K.

STATUS OF REVENUE

The California Department of Tax and Fee Administration (CDTFA) administers, collects and distributes transaction use taxes to applicable jurisdiction within the State. CDTFA implemented Measure K, which became effective April 1, 2023, and began distributing April collections at the end of June. Since its passage Measure K has generated \$39.8 million.

MEASURE K REVENUE

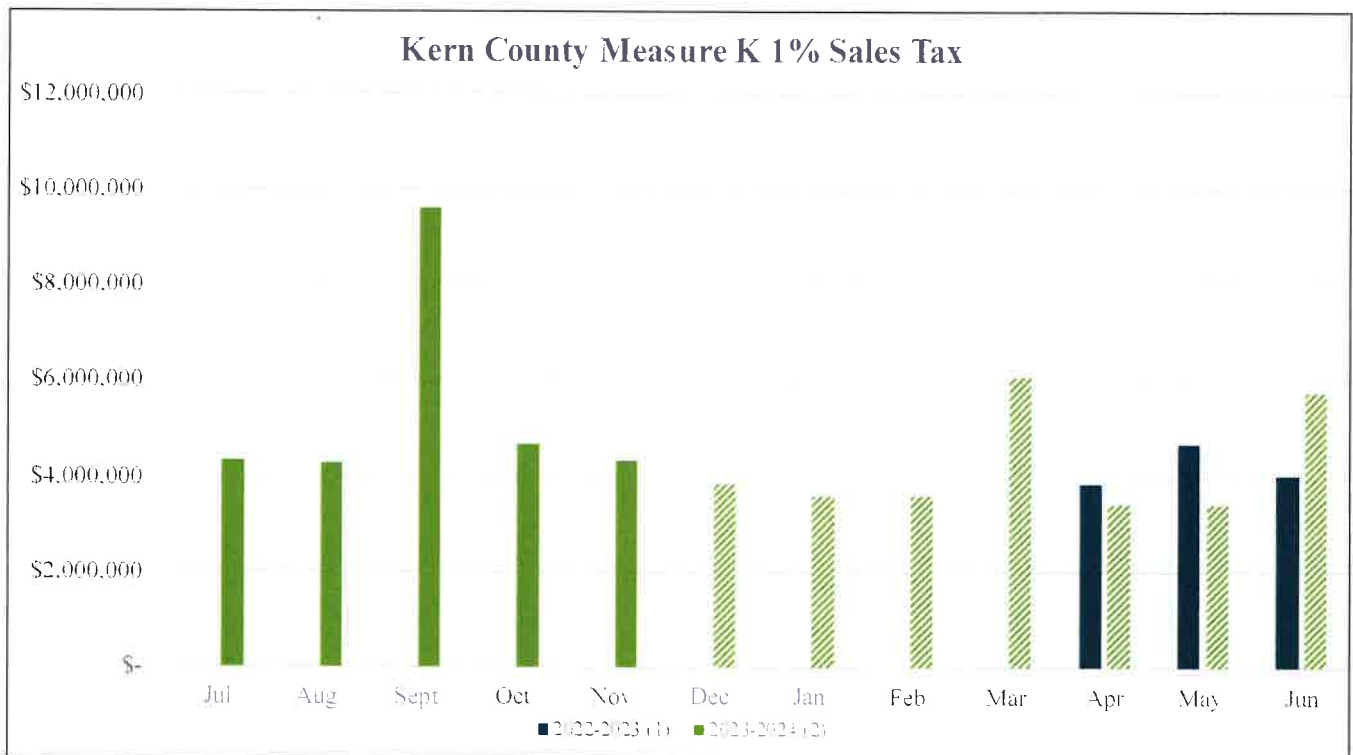
Fiscal Year	Estimated	Collections
2022-23	\$ 12,740,921	\$ 12,576,881
2023-24	56,274,661	27,313,760
Total	\$ 69,015,582	\$ 39,890,641

When preparing the estimated amounts, the County projects future sales tax revenue based on the data provided by the County's sales tax consultant. The estimates below will be adjusted when a full year of activity is collected. Based on the first eight months of collections and three months of detailed activity, the County anticipates total collections of \$57 million for FY 2023-24 which exceeds the original estimate by approximately \$815,000 or 1%.

ACTUAL AND PROJECTED MEASURE K RECEIPTS

(In Millions)

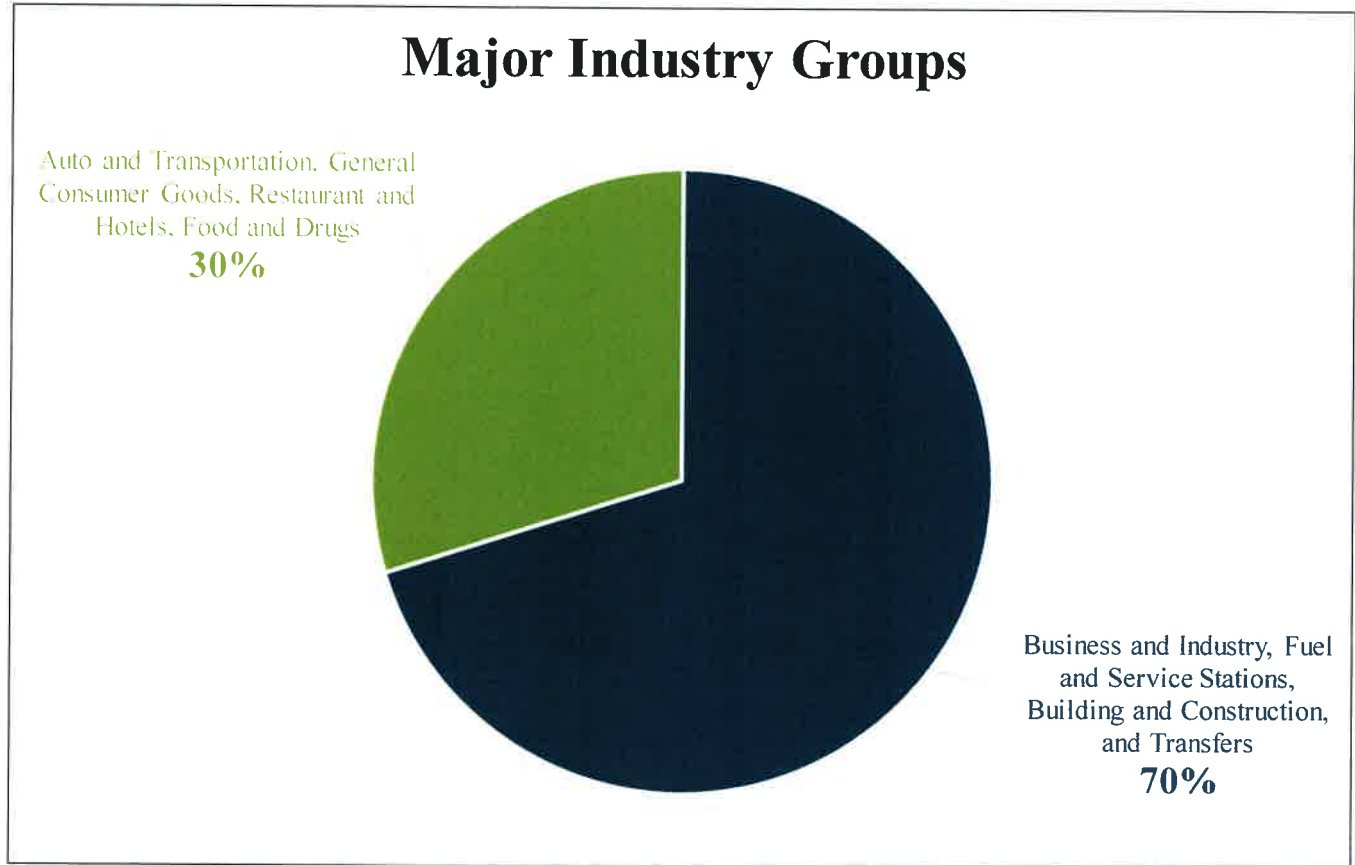
Fiscal Year	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2022-2023 (1)										\$ 3.86	\$ 4.69	\$ 4.03	\$ 12.58
2023-2024 (2)	\$ 4.35	\$ 4.29	\$ 9.61	\$ 4.70	\$ 4.36	\$ 3.88	\$ 3.61	\$ 3.61	\$ 6.07	\$ 3.43	\$ 3.43	\$ 5.76	\$ 57.09
Projected													



(1) Measure K 1% Sales Tax implemented 4/1/2022.

(2) Measure K tax is two months in arrears. The amounts are reported in the month the revenue is earned.

Based on the first three months of detailed activity available, over 70% of revenue collections are generated by business and industry, fuel and service stations and building and construction. Approximately 30% of the revenue collected is generated by consumers.



STATUS OF APPROPRIATIONS

The Board of Supervisors adopted the FY 2023-24 County Budget that incorporates additional Measure K funding for specific departments on August 29, 2023. Since the adoption of the County Budget, departments have been working on implementing their projects. Some of the projects are staff intensive. Hiring staff can be challenging due to factors such as specific skill requirements, availability of qualified candidates and the job market. With salary equity adjustments approved by the Board of Supervisors and the enhanced recruitment efforts by the dedicated Human Resources team, it is anticipated that most funded positions will be filled in the second half of the fiscal year. The delays in hiring have resulted in budget savings, which provides a surplus of collections over anticipated expenditures. Any realized budget savings will be redirected to one-time projects in Fiscal Year 2024-25. The County Administrative Office will present proposed recommendations for the allocation of these resources to this Committee in late May. While current year-end estimates are forecasts of future expenditures that are anticipated based on mid-year trends and various influencing factors, the final, actual results will be incorporated into the FY 2024-25 Recommended Budget.

Similar to the regular County budget allocations and in accordance with policy, departments are required to submit mid-year budget projections and reports to this office by January 15. Budget analysts then work with the departments, reviewing these reports to prepare a summary for the public, Committee and the Board of Supervisors.

A summary of expenditures by priorities is as follows:

Priority Number	Priorities	Adjusted Budget	Year to Date	Year-End Estimate
1	Maintaining vital local services - law enforcement, fire, 911 Response	\$ 19,554,649	\$ 5,801,260	\$ 13,947,476
2	Maintain medical emergency response	5,204,972	483,014	3,202,761
3	Preventing thefts and property crimes	-	-	-
4	Recruiting and retaining qualified Sheriff deputies and firefighters	9,665,634	2,873,779	7,299,059
5	Improving Sheriff, Fire and 911 Response	15,460,942	8,302	14,670,992
6	Attracting new industries and jobs	689,444	152,228	626,065
7	Helping address mental health and addiction challenges	1,895,566	-	295,357
8	Preserving library services	3,196,370	153,107	1,170,408
	Administration and Reserves	607,084	6,876	32,123
		\$ 56,274,661	\$ 9,478,566	\$ 41,244,241

MID-YEAR PROJECTIONS

Economic Development – Priority 6

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 469,444	\$ 469,444	\$ 143,829	\$ 411,546
Services and Supplies	60,000	220,000	8,399	214,519
Total Expenditures	\$ 529,444	\$ 689,444	\$ 152,228	\$ 626,065

This project will provide an enhanced and dedicated team of employees within the County Administrative Office, entirely focused on economic development. On July 31, 2023, the Chief Economic Development Officer (CEDO) was hired to manage all economic development activities in accordance with the goals and objectives of the County, specifically the Comprehensive Economic Development Strategy. Additionally, on November 27, 2023, the County staffed the position of Economic Development analyst. The team's accomplishments and initiatives through December 31, 2023, include development of an economic scorecard to consistently measure the progress of several targeted key performance indicators such as business growth and sustainability, business owner demographics, employment rates and trends. Progress of this initiative has been strengthened by partnership with Stanford University through the Stanford Impact Labs Evidence for Policy Fellowship. The scorecard will be transformed into a dashboard that is expected to be available to businesses seeking to relocate to Kern County.

The Adjusted Budget includes a reallocation of Administration and Oversight funds to support the permit modernization project. Proper support for the business community, and economic development initiatives overall, requires a streamlined permitting process. This initiative includes launching a customer survey program, building permit process mapping for current and future states, review of technology and establishing acceptable timelines. The Economic Development Division in partnership with Kern County Public Works has selected a consultant with experience with similar projects to assist with this effort.

The Economic Development Division in partnership with Kern Economic Development Corporation has engaged with dozens of companies considering investing in Kern County, in addition to coordinating with Meadows Field

Airport management to support plans and execute strategic investments to revitalize the County's transportation center point.

Administration and Oversight

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 350,000	\$ 190,000	\$ 6,876	\$ 32,123
Total Expenditures	\$ 350,000	\$ 190,000	\$ 6,876	\$ 32,123

The County Administrative Office is tasked with administration and oversight to ensure that departments are held accountable for the allocated resources and are using Measure K funds effectively to implement projects in a timely manner. The County Administrative Office has prepared the annual budget, completed a thorough mid-year review of budgeted projects and created a Measure K dashboard that is available to the public. Anticipated expenditures for this fiscal year are lower than projected, allowing a transfer to the Economic Development Project to cover the cost of the consultant for review of the County's permitting process.

Communication Network Expansion – Priority 5

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Capital Project	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000
Total Expenditures	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000

This project will expand the existing communication system that is being replaced to allow better public safety coverage in Rosamond, Cuyama, Lebec, Onyx and Polonio Pass, enhancing 911 dispatch and providing increased safety for first responders. This project requires an investment of \$28.5 over five years. \$12.6 million received last fiscal year was set aside to fund a portion of the project. An additional \$5 million is anticipated this fiscal year. The project began in early July and included acquisition efforts of the sites in those areas. It is estimated that this project will be completed by Fiscal Year 2027-28.

Human Resources Safety Recruitment and Retention Team – Priority 4

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 1,010,252	\$ 1,010,252	\$ 262,443	\$ 663,381
Services and Supplies	150,000	150,000	107,834	150,000
Total Expenditures	\$ 1,160,252	\$ 1,160,252	\$ 370,277	\$ 813,381

This project will provide an enhanced and dedicated team of employees within the Human Resources Division entirely focused on recruiting and retaining employees that work within the public safety departments. As of December 31, 2023, the Human Resources Division has hired all six funded positions. In addition, an online recruiting subscription with LinkedIn has been secured.

The team streamlined the application process with same-day applications and testing for sworn positions—this process used to take weeks. This enhanced process facilitates recruitment of candidates for backgrounds, academics and interviews. In addition to using LinkedIn, the team has traveled to Ridgecrest, Buttonwillow, Frazier Park, Delano and multiple locations within metropolitan Bakersfield to meet the candidates where they live.

Community Service Technicians – Priority 5

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 960,942	\$ 960,942	\$ 8,302	\$ 170,992
Total Expenditures	\$ 960,942	\$ 960,942	\$ 8,302	\$ 170,992

The objective of this project is to decrease the response time for lower-level calls and allow Sheriff's Deputies greater availability to respond to emergency calls and perform community-oriented policing. The project funds 10 Community Service Technician positions.

The Human Resources Division and the Sheriff's Office are actively recruiting to fill the positions. To date, all positions remain vacant; however, 14 candidates are participating in the background process which takes approximately six to eight weeks. Despite this delay in filling the positions, the Sheriff's Office anticipates meeting expected performance levels once the Community Service Technicians are hired.

Detention Deputy Equity and Retention – Priority 1

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 7,400,000	\$ 7,400,000	\$ 2,487,586	\$ 5,419,872
Total Expenditures	\$ 7,400,000	\$ 7,400,000	\$ 2,487,586	\$ 5,419,872

The objective of this proposal is to fill vacant Detentions Deputy positions to allow as many sworn deputies as possible to move out of the detention facilities and into patrol assignments, thereby providing additional safety services to the residents of unincorporated areas of the County. On January 10, 2023, to address the significant vacancy rate ranging from 23.7% for funded positions to an overall 37.7% for all authorized positions in this classification, the Board of Supervisors approved equity salary adjustments and restructured the recruitment and retention bonus. The overall cost of the changes was estimated at \$7.4 million. Since implementation of the salary adjustments, a significant number of employment applications have been received. The Sheriff's Office has conducted two Standard and Training for Corrections academies, hiring a total of 38 Detention Deputies. Additionally, 13 candidates have transferred from other jurisdictions and four candidates have received conditional job offers. Through the efforts of the dedicated Human Resources team and the salary adjustments, the total vacancy rate now stands at 26.3% at mid-year. As positions continue to be filled the Sheriff's Office will continue to deploy Sheriff's Deputies throughout the community.

Public Safety Recruitment and Retention of Qualified Personnel – Priority 1

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 7,575,000	\$ 7,575,000	\$ 2,991,121	\$ 6,526,105
Total Expenditures	\$ 7,575,000	\$ 7,575,000	\$ 2,991,121	\$ 6,526,105

Like the previous project, the objective of the Public Safety Recruitment and Retention of Qualified Personnel project is to fill vacant Sheriff's Deputy positions in order to provide additional public safety, improve the Sheriff's ability to respond to emergency calls, and perform community-oriented policing in unincorporated areas of the County. This project provides \$7,575,000 in FY 2023-24 for salary equity adjustments. The Board of Supervisors approved a Memorandum of Understanding approving the salary adjustments on July 25, 2023. Through enhanced compensation and the efforts of the Human Resources Division, the Sheriff's Office has completed two academies resulting in the anticipated hiring of 51 Sheriff's Deputies. While the vacancy rate remains higher than the 17% anticipated with the changes, it is lower than the baseline of 19.7% and the average response time for calls has been reduced from 16.8 minutes to 14.5 minutes.

District Attorney – Justice for Kern Initiative – Priority 1

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 3,841,849	\$ 3,841,849	\$ 289,520	\$ 1,528,728
Services and Supplies	397,800	382,800	33,033	118,183
Capital Assets	340,000	355,000	-	354,588
Total Expenditures	\$ 4,579,649	\$ 4,579,649	\$ 322,553	\$ 2,001,499

The District Attorney's Justice for Kern Initiative is designed to provide follow-up investigations on reported crimes in order to increase the number of crimes being solved and effectively prosecuted. The District Attorney has, to date, assigned nine full time employees to increase law enforcement resources in the unincorporated communities. The department has secured space in north and south Kern and is actively looking for additional space to assign staff to the east and west parts of the County. The District Attorney, in coordination with Human Resources, is actively working to fill six additional positions funded by Measure K, including three positions to enhance services at the Crime Laboratory. Despite the delay in hiring, the District Attorney has been successful and has significantly exceeded the goal of 120 follow-up investigations, having completed 987 to date.

Hart Flat Fire Station – Priority 5

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Capital Project	\$ 9,500,000	\$ 9,500,000	\$ -	\$ 9,500,000
Total Expenditures	\$ 9,500,000	\$ 9,500,000	\$ -	\$ 9,500,000

This project relocates Station 11 from Keene to Hart Flat to position Station 11 closer to the community areas it serves. The current site will be retrofitted to a permanent year-round home for the Fire Department's wildland crew and air operations program. Creating a wildland/air hub in Keene will enhance the effectiveness of air response and centralize crew operations to the benefit of the entire County. This project set aside \$9.5 million for the planning,

design, construction of the new station and cost associated with repurposing the existing building. The Fire Department has engaged an architect to develop the site layout and station design. It is anticipated that within the first year the site layout and design will be completed by early 2025 and final construction completed by end of 2026.

Safety Squads and Medical Units – Priority 2

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 4,677,472	\$ 4,677,472	\$ 387,394	\$ 2,726,130
Services and Supplies	207,500	207,500	52,881	156,631
Capital Assets	320,000	320,000	42,739	320,000
Total Expenditures	\$ 5,204,972	\$ 5,204,972	\$ 483,014	\$ 3,202,761

This project will enhance the level of medical care within the incorporated areas by providing paramedic Advance Life Support (ALS) care in high call-volume areas. The Fire Department will implement three Safety Squads and three Medical Units. Safety Squads will respond to medical emergencies and a wide range of other emergencies, while the Medical Units will respond to emergency medical aid calls only. The allocation of \$5.2 million for FY 2023-24 provides the first phase implementation of two Safety Squads and Medical Units. This project required additional staffing as well as negotiations with the Union. In mid-October two Squads went live, one in Oildale (Station 63 area) and one in Rosamond (Station 15 area). The Fire Department is working on the implementation of the Medical Units, recruiting paramedics and sourcing vehicles. It is anticipated that the Medical Units will be operational in March 2024.

Firefighter Workforce Retention – Priority 4

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 8,505,382	\$ 8,505,382	\$ 2,503,502	\$ 6,485,678
Total Expenditures	\$ 8,505,382	\$ 8,505,382	\$ 2,503,502	\$ 6,485,678

The objective of this project is to provide resources to ensure the County retains a diverse and qualified Firefighter workforce that responds to emergency fire, rescue and medical aid requests. The most recent Memorandum of Understanding for Firefighter classifications, approved by the Board of Supervisors on September 26, 2023, included equity salary adjustments to recruit and retain qualified personnel. In addition to equity adjustments, longevity pay was included to increase the length of service for firefighters.

East Kern Mobile Evaluation Team – Priority 7

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Services and Supplies	\$ 2,804,766	\$ 2,804,766	\$ -	\$ 295,357
Other Charges	13,200	13,200	-	-
Total Expenditures	\$ 2,817,966	\$ 2,817,966	\$ -	\$ 295,357
Revenue	922,400	922,400	-	-
Surplus/(Deficit)	\$ 1,895,566	\$ 1,895,566	\$ -	\$ 295,357

The East Kern Mobile Evaluation Team is intended to provide services to individuals experiencing a behavioral health crisis, substance use crisis or both within the eastern area of the County. Through this project, individuals in crisis will be able to request mobile crisis response through the crisis line or be dispatched through 988. In order to provide these services, the Behavioral Health and Recovery Services Department issued a request for proposal to find a qualified vendor that could provide the services. However, the proposal issued in July resulted in no awarded vendors. The Department quickly adjusted the proposal to address the barriers identified in the first proposal and re-issued the document with an amended scope of work. It is anticipated that a vendor will be selected before the end of the fiscal year.

Expand Library Hours – Priority 8

	Adopted Budget	Adjusted Budget	Year to Date	Year-End Estimate
Expenditures				
Salaries and Benefits	\$ 2,220,996	\$ 2,220,996	\$ 107,283	\$ 413,119
Services and Supplies	975,374	975,374	45,824	757,289
Total Expenditures	\$ 3,196,370	\$ 3,196,370	\$ 153,107	\$ 1,170,408

This project will allow the expansion of library services to the eight unincorporated library branches as well as bookmobile services providing regular stops throughout the County. In addition to expanded days and hours of opening, the unincorporated branches will enhance technology resources and expand reading material across multiple genres for all ages.

This project is staff intensive, with most of the allocated funding going to staff. Since the County Budget was adopted on August 29, 2023, the Library Department has been working on recruitment efforts for the many positions added to cover the increased hours. Recruitment for most of these positions began in the first half of the year. Thirteen positions have been hired, as shown in the chart below. An additional five job offers have been made with start dates in January 2024. Moving into the second half of the fiscal year, the department will continue working to fill all funded positions.

A portion of Measure K funding is dedicated to expanding library supplies and updating furnishings for public areas. Purchases for these improvements as well as additional programing will begin in the second quarter of Fiscal Year 2023-24.

Days Open per Week									
Branch	Bookmobile	Boron	Buttonwillow	Frazier Park	Kern River Valley	Lamont	Mojave	Rathbun	Rosamond
End of Quarter 1 9/30/2023	0	1	5	3	5	2	2	3	3
End of Quarter 2 12/3/2023	0	1	5	5	5	2	2	3	3

Staffing Overview as of 12/31/2023										
Branch	Bookmobile	Boron	Buttonwillow	Frazier Park	Kern River Valley	Lamont	Mojave	Rathbun	Rosamond	Support Staff
Total Positions to be Added	2	4	3	3	3	5	4	4	2	8
Recruitment Started	2	4	0	2	3	5	4	3	2	5
Hired	0	1	0	2	3	1	1	1	2	2

CONCLUSION

The County Administrative Office and departments will continue to implement, monitor and report on Measure K funding and the approved projects intended to address community priorities by enhancing public safety, addressing mental health and addiction challenges, recruiting and retaining qualified public safety personnel, and preserving library services. The full impact of Measure K has yet to be fully felt by the community. In the coming months and building up to the full implementation of all projects, impacts will be evident. This office and all County departments are committed to being responsible stewards of these historic financial resources.

Therefore, IT IS RECOMMENDED that your Committee receive and file the Fiscal Year 2023-24 Mid-Year Status Report for Activities Funded with Measure K – Unincorporated Kern County Public Safety/Vital Services Local Measure.

Sincerely,



James L. Zervis
Chief Administrative Officer

JZ EM Mid Year Measure K Budget Report 23-24

cc: Board of Supervisors
All Departments