



Oversight Committee Review of Expenditures

The Measure W program has completed its fourth fiscal year. The report by the Citizens Oversight Committee covers July 1, 2007 through June 30, 2008. Measure W provides funding for Public Safety using a one quarter cent sales tax. The role of the Citizens Oversight Committee is to determine whether revenues and expenditures from Measure W are consistent with the goals and plans presented to voters.

A total of \$9,996,819 was expended from the Measure W fund. Most of the Measure W expenditures (89%) were for staff being trained for or performing Measure W tasks. Training, equipment, and supplies accounted for 11% of the money spent. The reserve for years when revenue might drop remains at the same funding level of \$1,548,700.

Due to a declines in consumer spending in the last part of Fiscal Year 2007-08, Measure W revenues came in 4.4% less than budgeted. As a result, expenditures were \$479,494 more than revenues in the fiscal year.

After reviewing the audited financial reports and discussing the expenditures with the responsible staff the Committee has determined that the expenses from the Measure W fund were for the purposes of enhancing public safety and were consistent with the purposes set forth in Measure W.

Measure W Citizens Oversight Committee

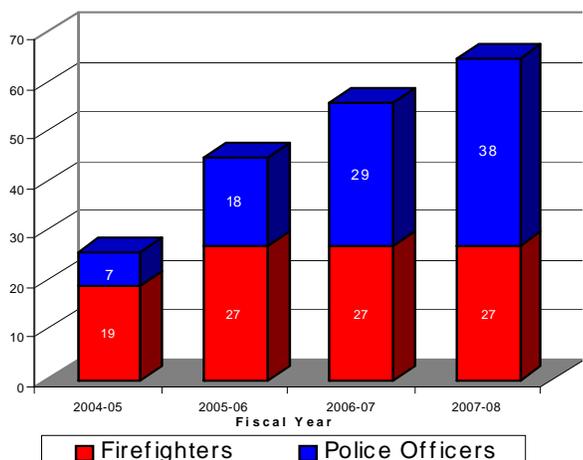
<i>Chair Tony Washington</i>	<i>David Jimenez</i>
<i>Carl Fogliani</i>	<i>Rod Mendoza</i>
<i>Gary Giovanetti</i>	<i>Mitzi Stites</i>
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Inside this report:

Committee Review of Expenditures	1
Measure W Funded Staffing	1
Public Safety Spending	2
Questions and Answers	2
Auditor's Comments	2
Fire Department Message	3
Police Department Message	3
Audit Report	4

Measure W Funded Staffing

Over the four year existence of the Measure W program, the Police and Fire Departments have been working to increase staffing as funding allows. The graph to the right shows the average staffing levels in each fiscal year. Fire Department staffing reached 27 in FY 2005-06. Late in FY 2007-08 another Firefighter was hired for a total of 28 positions. The Police Department reached 40 filled positions in September 2007 with an average of 38 employees during FY 2007-08.



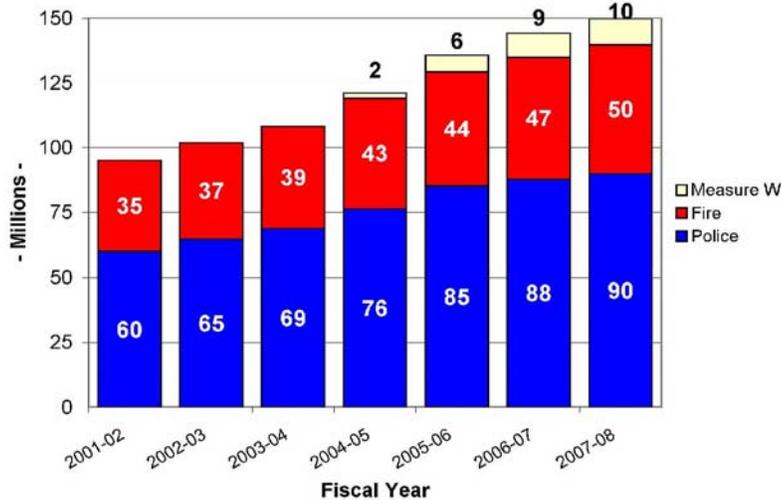
Citizens Comments

To find out more about
Measure W:

Police 937-8217
email: police@ci.stockton.ca.us

Fire 937-8801
email: fire@ci.stockton.ca.us

Public Safety Spending



Investment in Police and Fire protection continues to grow. Taxes received from Measure W have added to what the City was able to devote from its existing taxes and fees. The Measure W funding has not been used to offset what the City has been spending on public safety.

Measure W spending went up \$784,187 over Fiscal Year 2006-07. Declining revenues at year end and an increase in expenditures resulted in a shrinking fund balance of \$2,323,870 (or \$480,000 less than the prior year).

Auditor's Comments

The Independent Auditor Report on Internal Control over Financial Reporting and on Compliance and Other Matters section of the auditor's report reached two conclusions: "We note no matters involving the internal controls over financial reporting and its operations that we consider to be material weaknesses." And, "The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards." See detailed audit financial summary on page 4.

Questions and Answers About Measure W

Q: What is Measure W?

A: Measure W is a City ordinance passed by voters in November 2004 that added 1/4 cent to sales tax and dedicated the money received for public safety.

Q: How much money does the extra 1/4 cent sales tax bring in?

A: During the last fiscal year, the sales tax approved by Measure W brought in \$9,248,613.

Q: Is the City using the money in the way that Measure W intended?

A: Yes. The money is supposed to be used for Police and Fire services and it has been since the Measure was adopted by voters.

Q: How can voters know that the money is being used as intended?

A: An annual audit is performed on Measure W revenues and expenditures. The audit report along with detailed expense reports from the City are reviewed by the Measure W Citizens Oversight Committee.

Q: What kinds of things is the money from Measure W used for?

A: The staffing for a fire station in Northeast Stockton; 39 added Police Officers for patrol; and staffing for an added Fire rescue truck for North Stockton.



Fire Department Message

In June, the Stockton Fire Department was challenged with combating the largest single fire the City has ever experienced. The fire started in some pine needles just off of Interstate 5, and the wind quickly lifted the flames into the trees. The fire ran through the trees until it reached the Sun Pointe Condominiums where two condominium structures lit up in flames. The winds continued to push the flames down the tree lines, and embers carried the fire to nearby residential homes. When all was said and done, over 40 occupancies were destroyed.

Fortunately, the Stockton Fire Department was able to stop this blaze before it moved on into a shopping center that was in its path. The fire department used all of its resources that day. There is NO question that the additional 26 line firefighters paid for by Measure W funds had a positive effect on combating the blaze. Without the resources paid for with Measure W funds the outcome may have been much different.

The other two positions funded with Measure W are in the Training Division. These positions are responsible for providing the following training to the firefighters:

- Safe driving practices and DMV Class-B drive test
- Tiller training
- Quarterly Reviews of safety concerns and accidents
- Accident Investigation
- Daily training at Recruit Academy (i.e. ladders, hose pulls, SFD drills)
- Fitness Programs - Annual Fit Testing and Wellness Physicals



The additional line personnel allows for greater efficiency and effectiveness in responding to emergencies throughout the City. The two positions in the Training Department have a dramatic effect on safe driving practices and firefighter health and fitness. Measure W funds have had, and will have, a lasting positive effect on emergency response to the citizens of Stockton.

Police Department Message

As of September 2007, all 40 Measure W positions were filled. Measure W funds two Lieutenant positions. These Lieutenants are assigned as evening Watch Commanders, working from 5 p.m. to 3 a.m., to oversee and manage citywide Policing operations during the busiest times for Police calls for service. Measure W also funds two Sergeant positions. These Sergeants, assigned to the Field Services Bureau (Patrol), supervise the work of the many Patrol Officers working the various neighborhoods of North, Central, and South Stockton during the same early evening, late night, and early morning hours.

Measure W funds 36 Police Officer positions. These Officers work a variety of Patrol assignments throughout Stockton's six Community Policing Districts as follows:

<u>District</u>	<u>Measure W Officers</u>
Bear Creek	7
Civic Center	7
Lakeview	4
Park	4
Seaport	7
Valley Oak	5



There is also one Police Officer assigned to the Investigations Division and one Police Officer assigned to the Traffic Section.

Some of the Measure W funded Police Officers also participate in certain special assignment teams such as the Kentfield Action Team, Special Weapons and Tactics (SWAT), Mobile Field Force, Equestrian, Canine, and Field Training Officer programs. Others serve as Community Policing Officers assigned to certain high crime and blighted "hot spots" within their Policing Districts for the purpose of engaging the community in problem solving and enhanced crime prevention efforts.

Police presence throughout Stockton is greatly enhanced by Measure W funding. As a result of the availability of additional Police Officers assigned to neighborhood team policing efforts, overall crime has been reduced over the past three years. Measure W continues to help provide a safer community for all.

External Audit Report 2007-08

Measure W requires that an independent financial audit be performed on Measure W expenditures. For 2007-08 the City again retained the firm of Macias Gini & Company, LLP to perform the audit. The *Schedule of Revenues, Expenditures and Changes in Fund Balance-Measure W Public Safety Tax Fund for the year ended June 30, 2008* is presented below:

	Police	Fire	Other	Total
Revenues:				
Sales tax - Measure W	\$ 4,704,546	\$ 4,704,546	\$ -	\$ 9,409,092
Interest income	-	-	53,709	53,709
Net decrease in fair value of investments	-	-	(13,825)	(13,825)
Refunds and reimbursements	-	-	68,349	68,349
Total revenues	<u>4,704,546</u>	<u>4,704,546</u>	<u>108,233</u>	<u>9,517,325</u>
Expenditures - Public Safety:				
Payroll:				
Salaries	2,403,469	2,352,749	-	4,756,218
Benefits	2,048,453	2,033,963	-	4,082,416
	<u>4,451,922</u>	<u>4,386,712</u>	<u>-</u>	<u>8,838,634</u>
Products and Services Purchased:				
Tax collection collection fee	57,000	57,000	-	114,000
Sales tax review services	25,710	25,710	-	51,420
Liability insurance	82,981	92,200	-	175,181
Fleet charges	519,498	69,801	-	589,299
Lie detector tests	155	-	-	155
Psychological tests	-	350	-	350
Physical examinations	(4,224)	(3,120)	-	(7,344)
Fleet vehicle parts	-	195	-	195
Vehicle Purchases	-	-	-	-
Telephone charges	68	-	-	68
Academy uniforms	832	-	-	832
Fuel charges	-	715	-	715
Radio Purchases	-	-	-	-
Body armor	3,369	-	-	3,369
Ammunition	37,606	-	-	37,606
Duty weapon, accessories, helmets, and handcuffs	2,462	-	-	2,462
Reimburse officer for training cost	18,895	-	-	18,895
Academy tuition	7,245	-	-	7,245
Housing/food for academy	29,052	-	-	29,052
	<u>780,649</u>	<u>242,851</u>	<u>-</u>	<u>1,023,500</u>
Total expenditures	<u>5,232,571</u>	<u>4,629,563</u>	<u>-</u>	<u>9,862,134</u>
Excess of revenues over (under) expenditures	<u>(528,025)</u>	<u>74,983</u>	<u>108,233</u>	<u>(344,809)</u>
Other Financing Uses:				
Transfer out - City Central Garage				
Internal Service Fund	(119,005)	-	-	(119,005)
Transfer Out - City Radio Equipment				
Internal Service Fund	(15,680)	-	-	(15,680)
Total transfers out	<u>(134,685)</u>	<u>-</u>	<u>-</u>	<u>(134,685)</u>
Net Change in Fund Balance	(662,710)	74,983	108,233	(479,494)
Fund Balance, Beginning of the Year	<u>2,316,000</u>	<u>300,834</u>	<u>186,530</u>	<u>2,803,364</u>
Fund Balance, End of the Year	<u>\$ 1,653,290</u>	<u>\$ 375,817</u>	<u>\$ 294,763</u>	<u>\$ 2,323,870</u>