City of Stockton Stockton, California **Independent Accountants' Report on Applying Agreed-Upon Procedures** on Measures A and B Transaction and Use Tax For the Year Ended June 30, 2021



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES ON MEASURE A AND B TRANSACTION AND USE TAX

To the Honorable Mayor and Members of City Council of the City of Stockton Stockton, California

We have performed the procedures enumerated below on the Measure A and B Schedule of Sources and Uses of the City of Stockton (the "City") for the year ended June 30, 2021. City's management is responsible for the Measure A and B Schedule of Sources and Uses.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating whether Transaction and Use Tax of the City were collected in accordance with Measure A and expenditures were spent in accordance with provisions of Measure B for the year ended June 30, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. We obtained understanding of the compliance requirements of Measure A, B, and the Marshall Plan on Crime.

Findings: No exceptions were noted.

2. We obtained the Measure A and B Schedule of Sources and Uses included in the Comprehensive Annual Financial Report of the City for the fiscal year ended June 30, 2021.

Findings: No exceptions were noted.

3. We obtained reports from the California Department of Tax and Fee Administration (CDTFA) and trace the quarterly cash receipts for the fiscal year ended June 30, 2021.

Findings: No exceptions were noted.

4. We selected 40 expenditure transactions spent in Marshall Plan on Crime and determine whether they were spent in accordance with approved Marshall Plan uses

Findings: No exceptions were noted.

5. We obtained from City Finance department staff the "Project Activity listing" by project for the fiscal year ended June 30, 2021 and compare allocation of Measure A funding to the expenditure to date for Mission Critical Spending.

Findings: No exceptions were noted.

To the Honorable Mayor and Members of City Council of the City of Stockton Stockton, California Page 2

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Measure A and B Schedule of Sources and Uses. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and City management and Assured Guaranty Municipal Corp. and is not intended to be and should not be used by anyone other than these specified parties.

The Rus Grant, LLP

Santa Ana, California

March 4, 2022

City of Stockton Measure A and B Schedule of Sources and Uses For the Year Ended June 30, 2021

Newsure A Transaction and Use Tax		Final Budget	Year End Actual	Variance
Total Revenues	Revenues			
Police Salary & Benefits Sworn 21,413,141 19,316,382 2,096,759 Non-Sworn 3,800,419 3,164,294 636,125 Vacancy Savings (993,017) - (993,017) 0ther Services 2,920,889 2,675,205 245,684 Materials & Supplies 431,091 189,377 241,714 Other Supplies 431,091 189,377 241,714 Other Supplies 431,091 189,377 241,714 Other Expenses 620,018 617,265 2,753 225,347 Other Supplies 348,096 285,767 62,329 0ther Supplies 431,091 189,377 241,714 Other Expenses 620,018 617,265 2,753 225,347 Other Services 328,540,637 26,248,290 2,292,347 Other Supplies 35,000 53,69 296,31 0ther Expenses 19,850 1,086 18,764 0ther Expenses 19,850 1,086 18,764 1,241,059 954,516 286,543 0ther Expenses 19,850 1,086 18,764 1,241,059 254,516 286,543 0ther Expenses 29,781,696 27,374,026 2,407,670 0ther Expense 20,781,696 27,374,026 2,407,670 0ther Expense 20,7	Measure A Transaction and Use Tax	\$ 28,472,000	\$ 40,810,516	\$ 12,338,516
Police	Total Revenues	28,472,000	40,810,516	12,338,516
Salary & Benefits 21,413,141 19,316,382 2,096,759 Non-Sworn 3,800,419 3,164,294 636,125 Vacancy Savings (993,017) - (993,017) Other Services 2,920,889 2,675,205 245,684 Materials & Supplies 348,096 285,767 62,329 Other Supplies 431,091 189,377 241,714 Other Expenses 28,540,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equip ment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Basic Adjustment 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B expenditures as a % of annual Measure A revenues 105% <td< td=""><td>Uses/Expenditures</td><td></td><td></td><td></td></td<>	Uses/Expenditures			
Sworm 21,413,141 19,316,382 2,096,759 Non-Sworn 3,800,419 3,164,294 636,125 Vacancy Savings (993,017) - (993,017) Other Services 2,920,889 2,675,205 245,684 Materials & Supplies 348,096 285,767 62,329 Other Supplies 431,091 189,377 241,714 Other Expenses 28,540,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Crime Prevention (Measure B) expenditures				
Non-Sworn 3,800,419 3,164,294 636,125 Vacancy Savings (993,017) - (993,017) Other Services 2,920,889 2,675,205 245,684 Materials & Supplies 348,096 285,767 62,329 Other Supplies 431,091 189,377 241,714 Other Expenses 28,740,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Other City Services - - -	Salary & Benefits			
Vacancy Savings (993,017) - (993,017) Other Services 2,920,889 2,675,205 245,684 Materials & Supplies 348,096 285,767 62,329 Other Supplies 431,091 189,377 241,714 Other Expenses 28,546,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Basic Adjustment 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B Expenditures 29,781,696 27,374,026 2,407,670 Other City Services Prior Year - Mission Critical Projects - - - General Fund Available Fund Balance	Sworn	21,413,141	19,316,382	2,096,759
Other Services 2,920,889 2,675,205 245,684 Materials & Supplies 348,096 285,767 62,329 Other Supplies 431,091 189,377 241,714 Other Expenses 189,377 241,714 Training 620,018 617,265 2,753 28,540,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (10,20) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Basic Adjustment 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures 105% 67% Other City Services Prior Year - Mission C	Non-Sworn	3,800,419	3,164,294	636,125
Materials & Supplies 348,096 285,767 62,329 Other Supplies 431,091 189,377 241,714 Other Expenses Training 620,018 617,265 2,753 Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Other Expenses (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures 105% 67% Other City Services - - - - Prior Year - Mission Critical Projects - - - General Fund Available Fund Balance (Vacancy Savings	(993,017)	-	(993,017)
Fuel 348,096 285,767 62,329 Other Supplies 431,091 189,377 241,714 Other Expenses Training 620,018 617,265 2,753 Training 620,018 617,265 2,753 28,540,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures 105% 67% - - Sense Adjustment Encumbrance (included in Final B	Other Services	2,920,889	2,675,205	245,684
Other Supplies 431,091 189,377 241,714 Other Expenses 620,018 617,265 2,753 Training 620,018 617,265 2,753 28,540,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Other Expenses 19,850 1,086 18,764 Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Other City Services Prior Year - Mission Critical Projects - - - - - - - - - - - <t< td=""><td>Materials & Supplies</td><td></td><td></td><td></td></t<>	Materials & Supplies			
Other Expenses 620,018 617,265 2,753 Training 620,018 617,265 2,753 28,540,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 10 fter Expenses 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment Encumbrances (included in Final Budget)	Fuel	348,096	285,767	62,329
Other Expenses 620,018 617,265 2,753 Training 620,018 617,265 2,753 28,540,637 26,248,290 2,292,347 Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 10 fter Expenses 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment Encumbrances (included in Final Budget)	Other Supplies	431,091	189,377	241,714
Office of Violence Prevention Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Other City Services - - - - Prior Year - Mission Critical Projects - - - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) 8asic Adjustment -				
Office of Violence Prevention Salary & Benefits 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects - - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment Encumbrances (included in Final Budget) - - -	Training	620,018	617,265	2,753
Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Other Expenses 19,850 1,086 18,764 Other Expenses 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67% Other City Services	_	28,540,637	26,248,290	2,292,347
Salary & Benefits Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 Other Expenses 19,850 1,086 18,764 Other Expenses 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67% Other City Services	Office of Violence Prevention			
Non-Sworn 863,143 766,268 96,876 Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Other City Services Prior Year - Mission Critical Projects - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment Encumbrances (included in Final Budget) - - - - Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186)				
Other Services 312,856 174,886 137,971 Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment Encumbrances (included in Final Budget) - - - - Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186)	•	863.143	766,268	96.876
Fuel 6,231 6,243 (12) Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects - - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment Encumbrances (included in Final Budget) - - - - - Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186) (14,746,186)				
Other Supplies 35,000 5,369 29,631 Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure A revenues 105% 67% Other City Services - - - - Prior Year - Mission Critical Projects - - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment - - - - Encumbrances (included in Final Budget) - - - - Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186)				
Office Equipment 3,979 665 3,314 Other Expenses 19,850 1,086 18,764 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures 105% 67% as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment - - - - Encumbrances (included in Final Budget) - - - - Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186)				
Other Expenses 19,850 1,086 18,764 1,241,059 954,516 286,543 Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures 105% 67% as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects - - - General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment - - - - Encumbrances (included in Final Budget) - - - - Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186)				
Total Measure B Expenditures 1,241,059 954,516 286,543				
Basic Adjustment Encumbrances (included in Final Budget) - 171,220 (171,220) Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67%	2 144 244 145			
Encumbrances (included in Final Budget)	Basic Adjustment			
Total Measure B Expenditures 29,781,696 27,374,026 2,407,670 Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects		_	171,220	(171,220)
Crime Prevention (Measure B) expenditures as a % of annual Measure A revenues Other City Services Prior Year - Mission Critical Projects General Fund Available Fund Balance Encumbrances (included in Final Budget) Total Measure B Expenditures 105% 67% 67% 113,436,490 (14,746,186) 13,436,490 (14,746,186)		29,781,696		
as a % of annual Measure A revenues 105% 67% Other City Services Prior Year - Mission Critical Projects	•			· · · · · · · · · · · · · · · · · · ·
Other City Services Prior Year - Mission Critical Projects - <td< td=""><td>· · ·</td><td>1050/</td><td>670/</td><td></td></td<>	· · ·	1050/	670/	
Prior Year - Mission Critical Projects -	as a % of annual Measure A revenues	105%	6/%	
General Fund Available Fund Balance (1,309,696) 13,436,490 (14,746,186) Basic Adjustment - - - Encumbrances (included in Final Budget) - - - Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186)	Other City Services			
Basic Adjustment Encumbrances (included in Final Budget) Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186)	Prior Year - Mission Critical Projects	-	-	-
Encumbrances (included in Final Budget)	General Fund Available Fund Balance	(1,309,696)	13,436,490	(14,746,186)
Total Measure B Expenditures (1,309,696) 13,436,490 (14,746,186)	Basic Adjustment			
	Encumbrances (included in Final Budget)	<u></u> _		
Total Uses/Expenditures \$ 28,472,000 \$ 40,810,516 \$ (12,338,516)	Total Measure B Expenditures	(1,309,696)	13,436,490	(14,746,186)
	Total Uses/Expenditures	\$ 28,472,000	\$ 40,810,516	\$ (12,338,516)