



STRONG COMMUNITIES ADVISORY COMMITTEE ANNUAL REPORT

FOR FISCAL YEARS 2016-17 AND 2017-18

COMMITTEE MEMBERS

- Nathan Werth
- Karl Miller
- Lester Patrick
- Yvonne Trevino
- Kevin Redick
- Lorraine Lauper
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STRONG COMMUNITIES DEFINED

Strong Communities was approved by voters November 8, 2016; it appeared on the ballot as Measure M. This one-quarter cent (0.25%) transaction and use tax (sales tax) went into effect April 1, 2017. Strong Communities was approved as a special tax that is dedicated to City of Stockton recreation and library programs, services, and facilities.



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MEASURE M BALLOT LANGUAGE

Shall the Ordinance 2016-06-07-1212 to enhance Stockton's library and recreation services, including safe after-school and summer programs for children and teens, homework centers, children's story times, increased public computer access/wireless connectivity, and enhanced evening and weekend hours at libraries and recreation centers, funded by a 1/4-cent transaction and use (sales) tax, generating \$9 million annually for 16 years, with all funds staying local and expenditures subject to an annual audit be adopted?

Program information available at: www.stocktonca.gov/recreation
 Strong Communities Measure M information available at:
www.stocktonca.gov/measurem

PROGRAM ACCOMPLISHMENTS

Funds raised by Measure M has allowed for the city to:

- Hire 23 newly authorized full-time positions to deliver programs.
- Open the Arnold Rue Micro Library in May 2018.
- Host free coaches and kids instructional clinics.
- Expand after-school meals program.
- Establish new adult kickball, basketball and volleyball leagues.
- Hire an architect to design a new Library/Community Center in North Stockton.
- Conduct safety assessments at all facilities.
- Increase open hours and programs at all City Libraries beginning July 2, 2018.
- Increase open hours and programs at all City Recreation Centers beginning July 2, 2018.



EXPENDITURE PLAN

On August 21, 2017, the City Council approved an expenditure plan with revenue and expenditure projections for the 16-year lifespan of the measure. Restoration of library and recreation services is a key element of the expenditure plan that includes increasing library and community center hours evenings and weekends.

COMMUNITY CENTER	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
ARNOLD RUE	9 am - 8 pm	9 am - 8 pm	9 am - 8 pm	9 am - 8 pm	9 am - 7 pm	9 am - 5 pm
STRIBLEY	9 am - 8 pm	9 am - 8 pm	9 am - 8 pm	9 am - 8 pm	9 am - 7 pm	9 am - 5 pm
VAN BUSKIRK	9 am - 8 pm	9 am - 8 pm	9 am - 8 pm	9 am - 8 pm	9 am - 7 pm	9 am - 5 pm
SEIFERT	2 pm - 8 pm	2 pm - 8 pm	2 pm - 8 pm	2 pm - 8 pm	2 pm - 7 pm	9 am - 5 pm

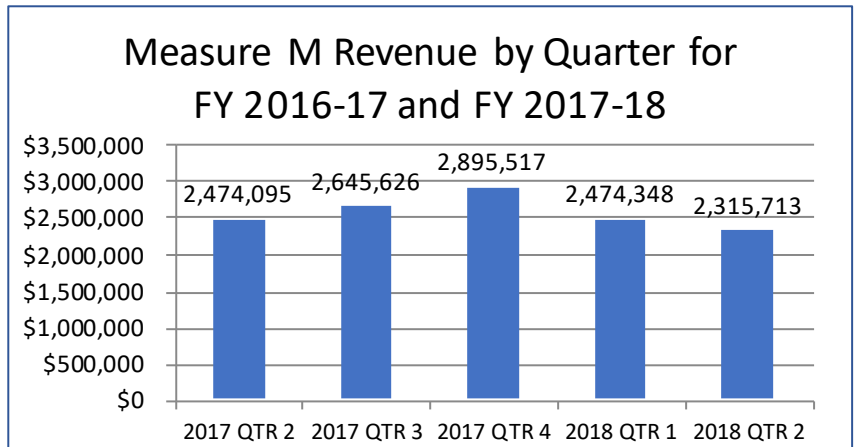
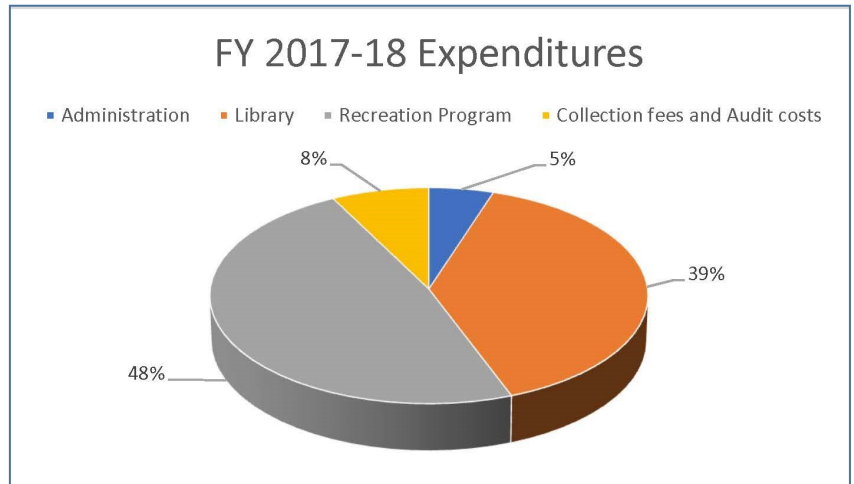
STOCKTON LIBRARIES	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
CESAR CHAVEZ CENTRAL	10 am - 8 pm	10 am - 8 pm	1 pm - 8 pm	10 am - 8 pm	10 am - 5 pm	10 am - 5 pm
MARGARET TROKE	10 am - 8 pm	10 am - 8 pm	1 pm - 8 pm	10 am - 8 pm	10 am - 5 pm	10 am - 5 pm
WESTON RANCH	10 am - 6 pm	10 am - 8 pm	1 pm - 6 pm	10 am - 6 pm	10 am - 5 pm	12 pm - 5 pm
FAIR OAKS	10 am - 6 pm	10 am - 6 pm	1 pm - 6 pm	10 am - 8 pm	10 am - 5 pm	12 pm - 5 pm
MAYA ANGELOU	10 am - 8 pm	10 am - 6 pm	1 pm - 6 pm	10 am - 6 pm	10 am - 5 pm	12 pm - 5 pm
ARNOLD RUE MICRO LIBRARY	Closed	1 pm - 5 pm	1 pm - 5 pm	1 pm - 5 pm	10 am - 2 pm	10 am - 2 pm

FY 2017-18 REVENUES AND EXPENDITURES

Measure M revenues were only received for a partial fiscal year, this report covers both FY 2016-17 and FY 2018-19.

The Measure M expenditure budget for FY 2017-18 was \$4,277,014. Of this total allocation, \$3,063,401 was expended during the year. Recreation and Library Programs represented 87% of all expenses, 5% was used for Administration, with the remaining 8% paid to the State of California for set up and collection of the tax revenues. The graph to the right breaks down the FY 2017-18 expenditures by category.

The revenue chart displays Measure M Quarterly sales tax revenue since it began April 1, 2017. Total revenues in FY 2016-17 \$2,474,095. With a full four quarters in FY 2017-18, receipts from Measure M taxes totaled \$10,430,105.



MAINTENANCE OF EFFORT

Section 19 of the authorizing ordinance establishes a Maintenance of Effort defining how much City General Fund dollars the City must continue to contribute to Library and Recreation activities so that use of the Measure M tax does not replace General Fund revenues. The ordinance states that absent a condition of economic downturn, the City shall commit General Fund revenues to equivalent or greater than the amount committed for the FY 2014-15. The final transfer amount in FY 2014-15 for Library was \$4,275,000 and Recreation was \$3,105,000 for a total of \$7,380,000. FY 2017-18 General Fund transfers to Library and Recreation totaled \$7,391,500. The distribution of the total General Fund contribution has been adjusted to ensure the continued feasibility of each fund. The adjacent table compares the FY 2014-15 General Fund transfers for Library and Recreation services to the actual contributions in FY 2017-18.

General Fund Contributions	FY 2014-15	FY 2017-18
Library Fund	\$4,275,000	\$3,984,500
Recreation Fund	\$3,105,000	\$3,407,000
Total	\$7,380,000	\$7,391,500

THE GREATNESS OF A COMMUNITY IS DIRECTLY INFLUENCED BY THE ACTIONS AND INVESTMENT OF ITS MEMBERS.

INDEPENDENT AUDIT

The annual independent audits for fiscal years ending June 30, 2017 and June 30, 2018 were conducted by The Pun Group, LLP. The Pun Group, LLP issued their most recent report on December 20, 2018. The Measure M Strong Communities Tax Fund Schedules of Revenues, Expenditures, and Change in Fund Balance for the years ending June 30, 2018 and 2017 are presented below.

The audit report states “In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and result of operations and changes in fund balance of the Fund of the City, as of and for the year ended June 30, 2018 in accordance with accounting principals generally accepted in the United States of America.

City of Stockton		
Mesure M Strong Communities Tax Fund		
Statement of Revenues, Expenditures, and Changes in Fund Balance		
For Years Ended June 30, 2018 and 2017		
	2018	2017
Revenues:		
Taxes:		
Sales - levied by City	\$ 10,430,105	\$ 2,474,095
Total revenues	10,430,105	2,474,095
 Expenditures:		
Current:		
Library	1,255,420	-
Parks and recreation	1,807,981	82,505
Total expenditures	3,063,401	82,505
 Changes in fund balances	7,366,704	2,391,590
 Fund Balance:		
Beginning of year	2,391,590	-
End of Year	\$ 9,758,294	\$ 2,391,590