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13 and Assured Guaranty Municipal Corp.

14 UNITED STATES BANKRUPTCY COURT  
15 EASTERN DISTRICT OF CALIFORNIA  
16 SACRAMENTO DIVISION

17 In re:	)	Case No. 12-32118
18 CITY OF STOCKTON, CALIFORNIA,	)	DC No. OHS-1
19 Debtor,	)	Chapter 9
20	)	Date: February 26, 2013
21	)	Time: 1:30 p.m.
	)	Dept.: C, Courtroom 35
	)	Judge: Hon. Christopher M. Klein

22 **DECLARATION OF JOSEPH E. BRANN IN SUPPORT OF SUPPLEMENTAL**  
23 **OBJECTION OF ASSURED GUARANTY CORP. AND ASSURED GUARANTY**  
24 **MUNICIPAL CORP. TO DEBTOR'S CHAPTER 9 PETITION AND STATEMENT OF**  
25 **QUALIFICATIONS**

1 I, Joseph E. Brann, declare as follows:  
2

3 1. I have 43 years of experience in policing and public safety consulting. I worked for  
4 more than 25 years in California law enforcement, including as the Chief of Police of Hayward,  
5 California. I served as the first director of the COPS Office in the U.S. Justice Department, which  
6 has assisted with funding the hiring and redeployment of more than 100,000 officers and civilian  
7 employees in police agencies across the country. For the past 13 years, I have served as a police  
8 consultant to law enforcement agencies, city managers and local elected officials, conducting  
9 organizational assessments, analyses of police staffing levels and providing recommendations used  
10 to improve organizational performance and management accountability. I have also served as a  
11 monitor of consent decrees and similar measures involving policing matters in Cincinnati, Ohio,  
12 and as an advisor to the California Attorney General with respect to matters involving police  
13 reform efforts in Riverside and Maywood, California. A true and correct copy of my current  
14 curriculum vitae is attached as Exhibit A. I make this declaration of my personal knowledge and,  
15 if called upon to do so, I could and would testify to the facts set forth herein.

16 2. In connection with the chapter 9 bankruptcy case initiated by the City of Stockton  
17 (the "City"), I have been retained on behalf of Assured Guaranty Corp. and Assured Guaranty  
18 Municipal Corp. ("Assured") to review the City's position on matters relating to public safety and  
19 police compensation, including the City's crime rate, its police officer utilization, and the claim  
20 that a reduction in pension benefits would lead to a "mass exodus" of police officers or have an  
21 adverse effect on the crime rate, public safety, and/or the safety of officers.

22 3. This Declaration is submitted in support of the Supplemental Objection of Assured  
23 Guaranty Corp. and Assured Guaranty Municipal Corp. to Debtor's Chapter 9 Petition and  
24 Statement of Qualifications.

25 4. In my opinion as an expert on policing and public safety issues, a modest pension  
26 benefit reduction would not lead to a "mass exodus" of police officers or have any significant  
27 effect on the crime rate, public safety, or the safety of officers. I have prepared a report setting  
28

1 forth my conclusions, which is attached as Exhibit B (the “Report”) to this Declaration and  
2 incorporated by reference herein. For purposes of this Declaration, I briefly summarize the bases  
3 for my conclusions.

4 5. As an initial matter, with respect to the City’s crime situation, which Stockton cites  
5 as its most important public safety issue, there is no doubt that Stockton has a high crime rate.  
6 Recognizing that no level of violent crime is acceptable, and that the absolute numbers of crimes  
7 have been on the increase, a review of Stockton’s crime rate over time shows that the crime rate  
8 today is lower than it was twenty years ago and has been declining for the past several years.

9 6. The City claims that it has the lowest officer-per-thousand ratio for cities over  
10 250,000, but it is not the lowest, and there are many cities in the state that have lower staffing ratios  
11 than Stockton. This metric is also of limited value unless considered in the context of other factors  
12 such as police officer utilization.

13 7. The City’s claim that officers will leave in a “mass exodus” if police pension  
14 benefits are reduced is not well founded. The City cites the recent lateral transfers of certain senior  
15 officers to other California police agencies as evidence that it will lose its senior officers if police  
16 pensions are reduced. Information on the lateral transfers cited by the City indicates that most  
17 departures involved lifestyle changes, moves by officers to jurisdictions out of the Central Valley  
18 to police agencies on the coast, near the Bay, or close to the mountains. Such lateral transfers  
19 involve a host of non-economic factors and are not simply related to wages or pensions.

20 8. In fact, a host of non-economic factors influence job decisions, including a number  
21 that would discourage lateral transfers even if there were to be a modest police pension reduction.  
22 For example, recent labor peace between the police and the City may reduce the uncertainty that  
23 may have caused prior departures. Seniority is a strong disincentive to leaving, as a transferring  
24 officer loses seniority at the new agency and starts anew drawing undesirable assignments and  
25 shifts that rookie officers typically draw. And changes to pension benefits in other California  
26 jurisdictions may make a lateral transfer to such jurisdictions less attractive. The City’s lateral  
27 transfer rate is also consistent with data that has been gathered in the past on such transfers in  
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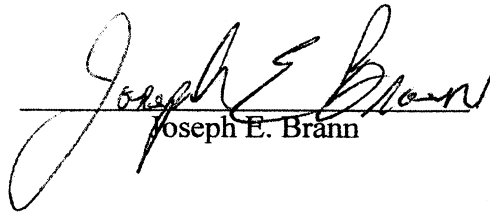
1 California and elsewhere and is not indicative of a “mass exodus.”

2 9. The City’s arguments about pension uncertainty affecting recruiting have no basis.  
3 The evidence shows that the City has hired more than 70 officers this year and had more than a  
4 thousand police academy graduate applications in 2011-12, signs that any uncertainty over  
5 pensions is not affecting recruitment.

6 10. Finally, I am not aware of any basis for a claim that a modest reduction in police  
7 pension benefits would lead to an inability to fill police positions, contribute to an increase in  
8 crime, or serve to increase the danger or injuries to police officers, particularly younger police  
9 officers.

10  
11 I declare under penalty of perjury under the laws of California and United States of  
12 America that the foregoing is true and correct.

13  
14 Executed this 14th day of December 2012 at Palos Verdes Peninsula, California.

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17   
18 Joseph E. Brann