



Annual Report

For the 2009-2010 Fiscal Year

City of Stockton Measure W Citizens Oversight Committee

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Oversight Committee Review of Expenditures

In fiscal year 2009-10 Measure W funded an average of 21 police officer positions and 20 fire fighter positions. The approved Measure W tax provided \$7,766,039 in total revenues for the 2009-10 fiscal year. Of that \$7,766,039 – a total of \$7,176,701 was expended during the fiscal year with eighty-nine percent of those expenditures going toward salary and benefit costs of Police and Fire personnel performing Measure W tasks. Equipment and supplies accounted for 7.4% of total expenses, while the remaining 3.6% paid for collection fees, insurance, and sales tax review services. Both the Police and Fire Departments remained under budget in their use of Measure W funds. The remaining revenues acquired in the amount of \$598,338 were deposited into the Measure W Economic Uncertainty Fund, thereby bringing the total amount in the fund up to \$814,766.

The role of the Citizens Oversight Committee is to determine whether the revenues and expenditures of the Measure W program are consistent with the goals and plans presented to voters in 2004. 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 the Measure W Program Guidelines.

Measure W Citizens Oversight Committee

Chair Gary Giovanetti Vice Chair Hal Monroe
James Cunningham Robert Schweikher
Mary Martinez John Wesley

Questions and Answers About Measure W

Q: What is Measure W?

A: Measure W is a City ordinance passed by voters in November of 2004. The measure added a 1/4 percent sales tax and dedicated the money be used to fund additional public safety activities in the City of Stockton.

Q: What has Measure W provided so far?

A: Over the course of six fiscal years, Measure W funds have helped both the Police and Fire Departments obtain additional personnel, equipment and training.

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

A: An annual audit by an outside auditor is performed on Measure W revenues and expenditures every year. The audit report along with detailed expense reports prepared by City staff are reviewed by the Measure W Citizens Oversight Committee in order to make sure that all expenses are in line with voter direction.

Citizen Comments

Learn more about Measure W:

General Information:
(209) 937-8848

Police: (209) 937-8217
Email:
police@ci.stockton.ca.us

Fire: (209) 937-8801
Email: fire@ci.stockton.ca.us

Fire Department Message



At its inception, Measure W had a significant impact on improving Fire Department service, particularly in North Stockton where expansion of Fire Department resources had not kept pace with the growth of the City. A new engine company, Engine 13, was opened as a direct result of Measure W in 2004-05. Later the next year, Measure W partially funded staff needed to open Truck 7. Adding Engine 13 improved fire department service and decreased response times in Northeast Stockton. In 2010 Engine 13 responded to 1,388 emergency incidents while the annual call volume for Engine 11 (the next closest engine company) continued to increase from 4,488 in 2009 to 4,645 in 2010. To put the call volume in perspective, the average number of annual responses for engine companies in California is 1,500. Truck 7 became the busiest truck company in 2010 with 978 emergency responses. Truck 7 and Engine 13 enhance the effectiveness of Fire Department service throughout the community (see table below).

2010 Incident Responses					
Apparatus	Fires	Medical	Vehicle Accident / Rescue	Hazmat / Other	Total
Engine 13	228	1,034	51	75	1,388
Truck 7	256	384	161	177	978

In 2009-10 Measure W was only able to fund 20 firefighter positions, a decrease of 7 positions from the previous year. If Measure W revenue is unable to sustain firefighter positions, the positions revert to the Fire Department general fund budget. In spite of reduced capacity to fund firefighter positions, Measure W continues to support Fire Department services. The Fire Department will continue to provide the highest level of service possible while meeting the current fiscal challenges.

Ron Hittle, Fire Chief

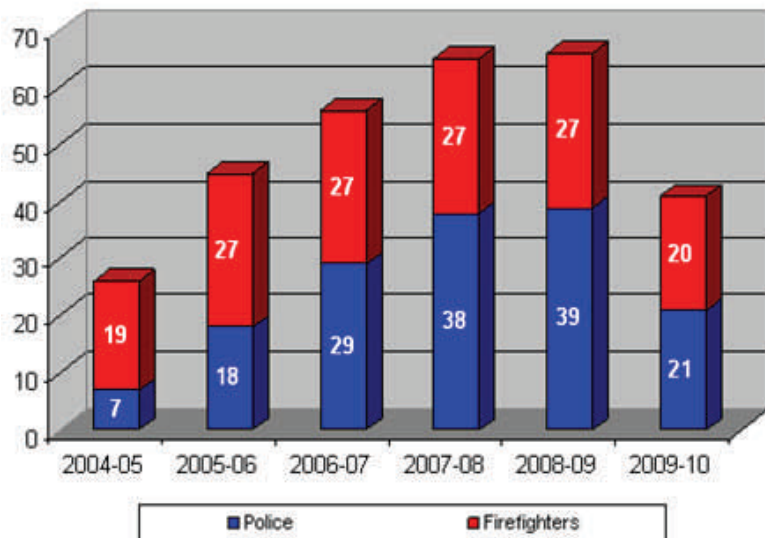
Sales Tax Revenues

Sales tax revenues continued to decline slightly in FY 2009-10 due to lower demand for autos, building materials, business and industry services and consumer goods. The table below shows the sales tax receipts from the Measure W Public Safety one-quarter cent sales tax for each quarter in FY 2009-10 and the percentage change from the same quarter in the prior year.

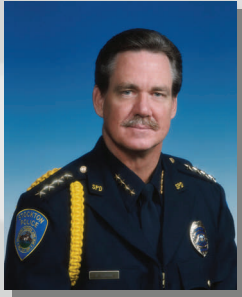
Collection Period	Sales Tax Revenue	% Change from Prior Year
July-Sept. 2009	\$ 1,930,570	-13%
Oct.-Dec. 2009	\$ 1,983,516	-9%
Jan.-Mar. 2010	\$ 1,832,659	6%
April-Jun. 2010	\$ 1,904,715	6%
Total	\$ 7,651,460	-3%

Public Safety Staffing

The graph below shows the average Measure W funded staffing levels for the last six fiscal years. Fire staffing reached 23 positions in 2009-10 but had to be adjusted by 3 to remain in budget. Police staffing reached 22 positions in 2009-10, but transferred one Police Officer to remain in budget.



Police Department Message



Over the course of the last six fiscal years, Measure W funds have made it possible for the Police Department to increase its presence throughout the City— resulting in reduced crime and a safer community for all. In addition to providing additional police staffing, Measure W funds have also helped the Police Department obtain police patrol vehicles, portable radios, mobile data computers, body armor, training, and other safety items required to maintain officers in a “field-ready” status.

The Stockton Police Department handles an overall annual average of 365,000 calls for service, with about 142,000 of these annual calls being dispatched to field patrol Officers. Measure W funds 21 additional Officers in patrol that would otherwise not be filled, and these 21 Officers handle approximately 15,750 calls per year, with an average of 750 calls handled by each officer per year. As a result of the economic downturn for the City of Stockton, revenue available to fund Police Officers from the Measure W budget has decreased and resulted in less Officers being funded. Beginning July 1, 2009, the number of budgeted Measure W positions was reduced from 40 to 21. Prior to that date, there were 36 Police Officers, 2 Sergeants, and 2 Lieutenants funded.

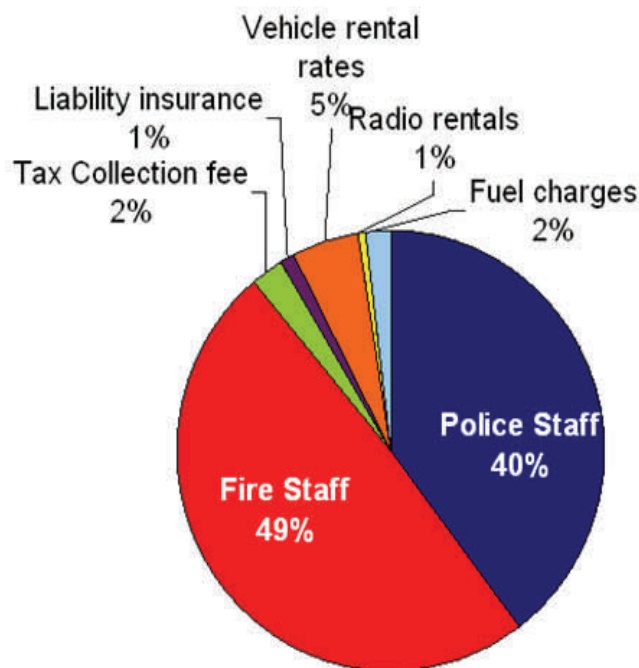
Reduction in the number of street Officers funded by Measure W was partially offset with Federal Stimulus funds (COPS Hiring Recovering Program) and through the restructuring of the assignments at the Police Department.

There are currently 21 positions funded to begin Fiscal Year 2010-11. As revenue figures are updated during the year, the number of sworn Officers funded via Measure W will be adjusted to meet staffing and budget concerns.

Blair Ulring, Police Chief

Measure W Expenditure Pie Chart

2009-10 Expenditures



How were Measure W Funds Spent?

Police Expenditures	Description	Amount
Salary and Benefits	21 Police Officers	\$2,841,853
Vehicle Maintenance & Fuel Charges	32 Patrol Cars	\$440,642
Tax Collection & Audit Fees	4 Quarters	\$91,003
Radio Maintenance & Telephone Charges	28 Radios	\$39,972
Insurance Liability		\$36,354
Total Police Expenditures		\$3,449,824

Fire Expenditures	Description	Amount
Salary & Benefits	20 Firefighters	\$3,541,657
Tax Collection & Audit Fees	4 Quarters	\$91,003
Vehicle Maintenance & Fuel Charges	1 Fire Engine	\$51,008
Liability Insurance		\$43,209
Total Fire Expenditures		\$3,726,877

External Audit Report 2009-10

Measure W requires that an independent financial audit be performed on Measure W expenditures. For 2009-10 the City again retained the firm of Macias Gini & O'Connell, 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, 2010* is presented below:

	Police	Fire	Total
Revenues:			
Sales tax - Measure W	\$ 3,825,730	\$ 3,825,730	\$ 7,651,460
Interest income	(8,049)	(15,468)	(23,517)
Refunds and reimbursements	53,070	85,026	138,096
Total revenues	<u>3,870,751</u>	<u>3,895,288</u>	<u>7,766,039</u>
Expenditures - Public Safety:			
Payroll:			
Salaries	1,600,497	2,035,999	3,636,496
Benefits	1,241,356	1,505,658	2,747,014
Sub-total	<u>2,841,853</u>	<u>3,541,657</u>	<u>6,383,510</u>
Products and Services Purchased:			
Tax collection fee	88,035	88,035	176,070
Sales tax review services	2,968	2,968	5,936
Liability insurance	36,354	43,209	79,563
Vehicle rental charges	300,021	45,251	345,272
Radio rentals	39,893	-	39,893
Telephone charges	79	-	79
Fuel charges	140,621	5,757	146,378
Sub-total	<u>607,971</u>	<u>185,220</u>	<u>793,191</u>
Total Expenditures	<u>3,449,824</u>	<u>3,726,877</u>	<u>7,176,701</u>
Net Change in Fund Balance	420,927	168,411	589,338
Fund Balance, Beginning of the Year	<u>122,401</u>	<u>103,027</u>	<u>225,428</u>
Fund Balance, End of the Year	<u>\$ 543,328</u>	<u>\$ 271,438</u>	<u>\$ 814,766</u>

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 the following conclusions:

"In our opinion, the financial schedule referred to above presents fairly, in all material respects, the revenues, expenditures and changes in fund balance of the Fund of the City of Stockton, for the year ended June 30, 2010 in conformity with accounting principles generally accepted in the United States of America." And, "We did not identify any deficiencies in internal controls over financial reporting that we consider to be material weakness." 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." The detailed audit summary is shown above.