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Committee Chair’s Message

The Measure W Citizens’ Oversight Committee is pleased to present the Fiscal Year (FY) 2014-15 annual report. The role of the Measure W Citizens’ Oversight Committee is to review the Measure W revenues and expenditures to ensure that the use of these revenues are in compliance with the goals and plans presented and approved by the voters in 2004. Citizens’ oversight committees, like this Measure W Citizens’ Oversight Committee, are an integral part of nearly all voter approved sales tax ordinances in the United States and are an effective tool to increase oversight. In addition to the Ordinance no. 038-04C.S., the program guidelines for Measure W prescribe a second method of oversight which is an independent audit by a CPA firm. The CPA firm issued a “clean report” for Fiscal Year ended June 30, 2015 stating that the financial schedules for Measure W present fairly the revenues and expenditures for the year.

Measure W provides funding for additional public safety positions and related operational costs. Currently that funding is sufficient to cover 50 safety positions split evenly between Police and Fire Departments. The revenue provided by this special sales tax is not yet sufficient to cover additional public safety positions although it is continually monitored for such opportunities. Both Police and Fire departments have reported to the committee that there remains a critical need for these positions funded by Measure W revenues.

In addition, the available fund balance reserve provides for economic uncertainty and has reached the recommended 25% of annual revenues per the program guidelines.

The Measure W Citizens’ Oversight Committee has been presented with documents including the independent auditor’s report that confirm proper stewardship over these funds in accordance with the Measure W sales tax ordinance and guidelines.

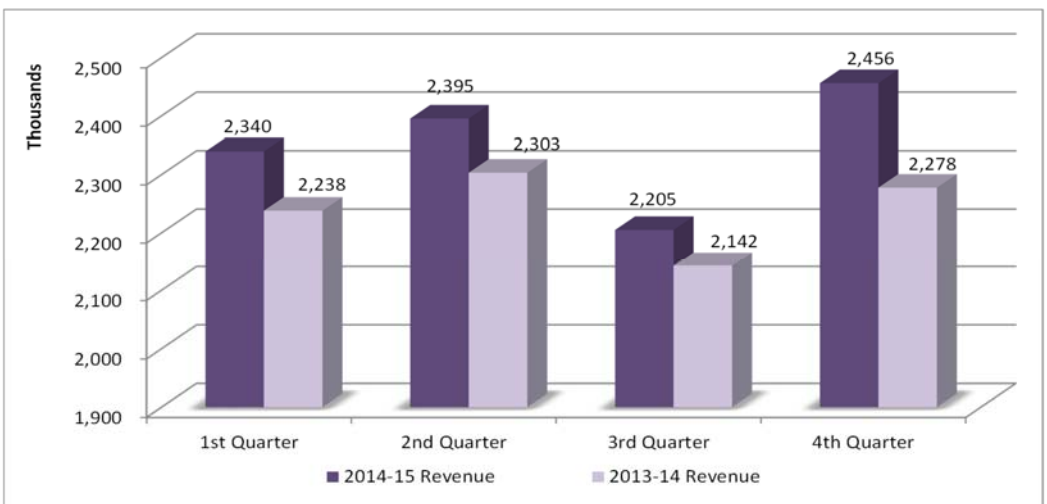
Dwight Williams, Committee Chair

Committee Members

- Dwight Williams (Chair)
- John Sola, Sr. (Vice Chair)
- Edward Surritt
- Thomas Campagna
- Joseph Dittmann
- Lourdes Jaurigue
- Philip Herrera

Sales Tax Quarterly Revenues Collection

The chart below compares Measure W quarterly sales tax revenue for FY 2014-15 with FY 2013-14. In FY 2014-15 the revenues show an increase of 4.8% from the prior year. Revenues are split 50% for Police and 50% for Fire Departments.



Citizen Comments

Learn more about

Measure W:

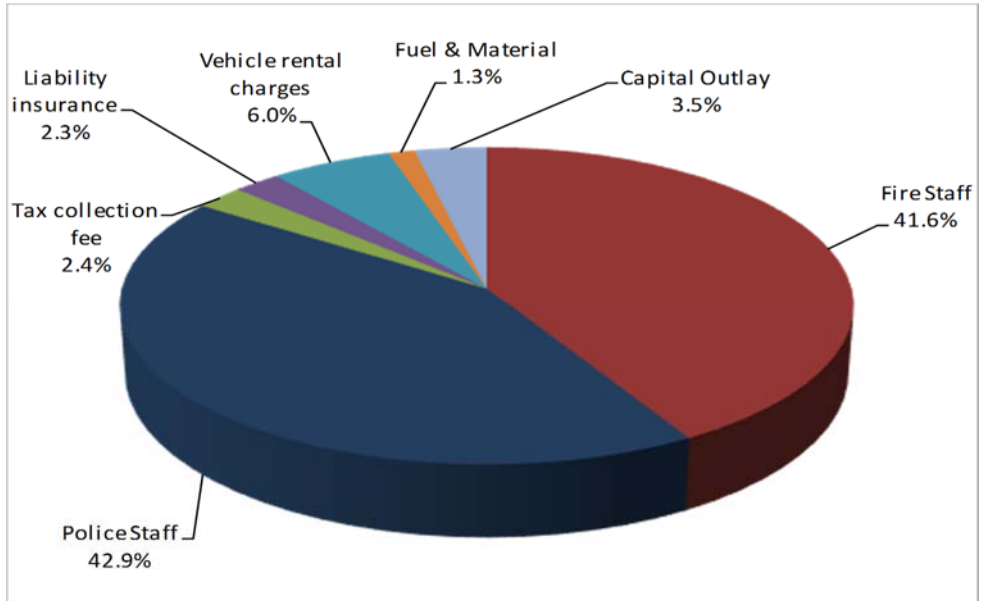
General Information:
 (209) 937-7177

Police: (209) 937-8377
 Fire: (209) 937-8801

Oversight Committee Review of Expenditures

Measure W expenditures are limited by the amount of revenue received in any given year from the Safe Neighborhood Measure W tax proceeds. In FY 2014-15, the budget included public safety staff of 25 Police Officers and 25 Firefighters. Although these positions are critical to maintaining service levels, two firefighter positions continued to be unfilled during the year. The funds made available from the two vacancies along with prior year surplus in the fire program was utilized to purchase much needed equipment and other one-time costs. The Measure W budget for FY 2014-15 appropriated \$10,060,084. Of this total allocation, only \$9,022,786 was expended during the fiscal year leaving additional funds in the available fund balance (32%).

The expenditures for salary and benefit costs of Police and Fire personnel performing Measure W duties was 84.5% of the total expenditures. Vehicles and fuel accounted for 7.3% of the total. The remaining 8.3% paid for Board of Equalization tax collection fees, insurance, materials, sales tax review services and capital equipment purchases. Both the Police and Fire Departments remained under budget in their use of Measure W funds.



Fire Department Message

Measure W funds collected in FY 2014-15 continued to augment staffing for Fire Engine No. 13, Ladder Truck No. 7 and Ladder Truck No. 3, and funded salaries and benefits of firefighters including the maintenance and operation of one fire engine. In December 2014, Ladder Truck No. 7 operations was replaced with Ladder Truck No. 4 located on Pacific Avenue to improve service coverage to include the schools, dormitories and apartment buildings in the area. In FY 2014-15, these fire companies responded to a total of 3,545 incidents, with Engine 13 responding to 1,353, Truck 3 responding to 1,037 and Trucks 4 and 7 responding to 1,155.



Portable and mobile radio equipment for the Alternative Response Program (Squad), staff, and apparatus described above were replaced with more efficient, reliable and FCC compliant radio equipment using Measure W funds.

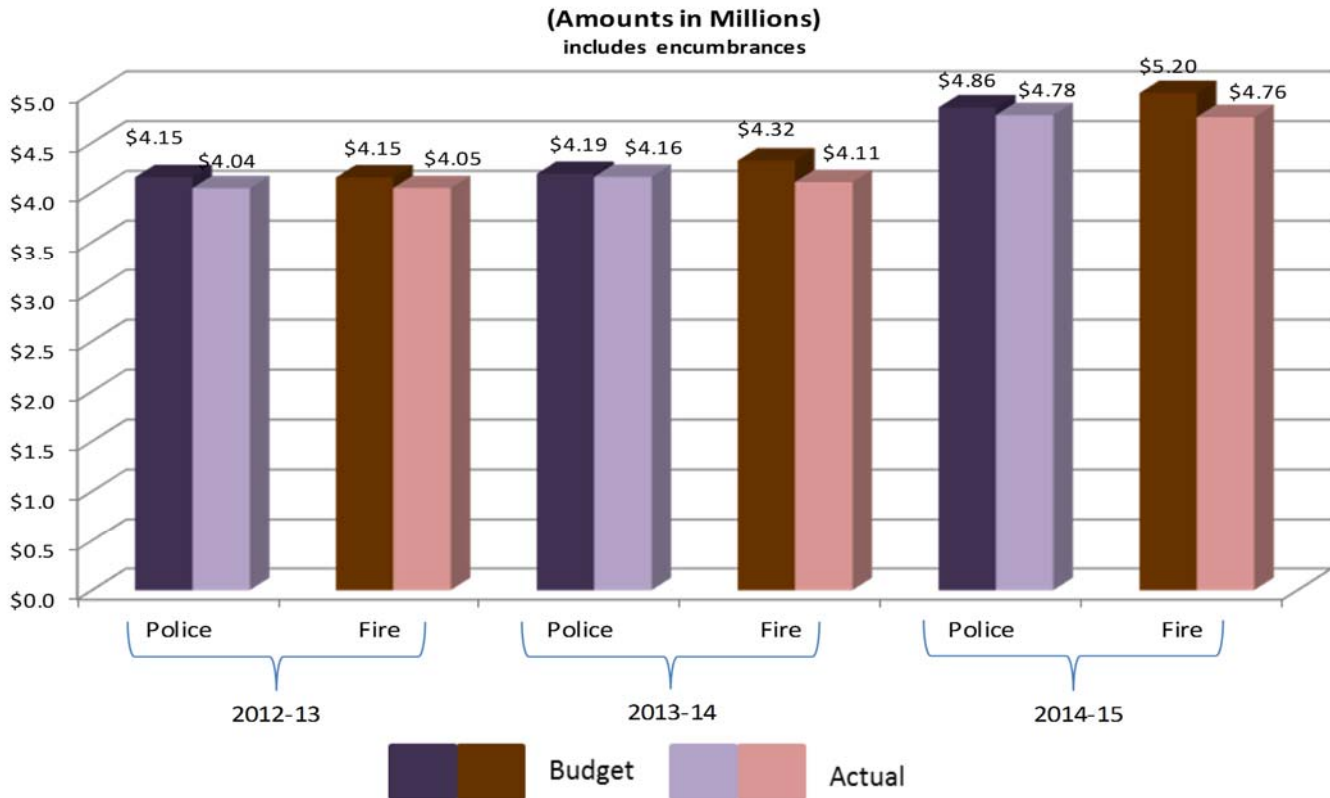
Construction of the Squad vehicle and purchase of all its equipment were completed. The Squad, which involves a 1-Ton rescue vehicle and two firefighters that respond to lower priority medical and small fire calls, was deployed in July, 2014. The addition of the Squad program increased the total number of positions funded by Measure W to 25 firefighter positions.

Erik Newman, Fire Chief

2014 Fire Incident Responses

Apparatus	Fires	Medical	Vehicle	Accident / Rescue	Hazmat / Other	Total
Engine 13	295	914	57	28	59	1,353
Truck 3	455	329	101	81	71	1,037
Truck 4/7	355	407	98	135	160	1,155

Measure W – Budget to Actual Expenditures FY 2012-13 to FY 2014-15



Police Department Message

In Fiscal Year 2014-15 Measure W funding paid for 25 Police Officers to respond to over 25,000 calls for service, an average of 103 call per officer during the year. This funding source is an important component of the Police Department's annual operating budget. In addition to paying for officer salary and benefits, it also pays for their vehicles, fuel, radios, and other safety equipment necessary to work in the field. The amount of tax revenue available and the cost of the positions determines the exact number of funded Police Officers each year. All Measure W positions are assigned to the Field Services Division and handle dispatched calls-for-service on a 24/7 basis. In Fiscal Year 2014-15, the Police Department handled 388,227 calls for service, 123,622 of which were dispatched for officer assistance.



Eric Jones, Police Chief

Public Safety Measure W Staffing – Annual Averages

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Police	21	25	24	22	23	25
Fire	20	23	22	23	23	25

Schedule of Revenues, Expenditures, and Change in Fund Balance 2014-15

The annual independent audit was conducted by Pun & McGeady LLP who issued their report dated December 31, 2015. The *Schedule of Revenues, Expenditures and Change in Fund Balance-Measure W Public Safety Tax Fund for the year ended June 30, 2015* is presented below:

	Police	Fire	Total
Revenues:			
Sales tax - Measure W	\$4,698,142	\$4,698,142	\$9,396,284
Interest income	5,638	7,890	13,528
Refunds and reimbursements	-	-	-
Total revenues	4,703,780	4,706,032	9,409,812
Expenditures - Public Safety:			
Payroll:			
Salaries	2,168,059	2,192,165	4,360,224
Benefits	1,697,772	1,563,916	3,261,688
Sub-total	3,865,831	3,756,081	7,621,912
Products and Services Purchased:			
Tax collection fee	105,660	105,660	211,320
Sales tax review services	3,118	3,118	6,236
Liability insurance	107,009	104,369	211,378
Vehicle rental charges	434,892	76,201	511,093
Radio rental charges	26,599	-	26,599
Materials and services	28,465	6,992	35,457
Fuel charges	69,668	11,313	80,981
Capital Outlay/equipment	136,559	181,251	317,810
Sub-total	911,970	488,904	1,400,874
Total Expenditures	4,777,801	4,244,985	9,022,786
Net Change in Fund Balance	(74,018)	132,674	58,656
Fund Balance, Beginning of the Year	1,345,119	1,646,089	2,991,208
Fund Balance, End of the Year	\$1,271,101	\$1,778,763	\$3,049,864

Source: Independent Auditor's Reports and Financial Schedule for the year ended June 30, 2015