



ATTACHMENT A
City of Stockton
Measure W - Safe Neighborhood Initiative
2017-18 Budget Update - Unaudited
For the 3 Months and 6 Months Ended September 30, and December 31, 2017

	Approved Annual Budget ^(a)	1st Quarter		2nd Quarter		Budget Remaining	
		As of 9-30-2017	% of Budget	As of 12-31-2017	% of Budget	As of 12-31-2017	
Revenue							
Police							
Tax Revenue	\$ 5,144,000	\$ 365,495	7%	\$ 1,148,995	22%	\$ 3,995,005	78%
Investment income	6,462	(1,696)	-26%	3,626	56%	2,836	44%
Police revenue	5,150,462	363,799	7%	1,152,621	22%	3,997,841	78%
Fire							
Tax Revenue	5,144,000	365,495	7%	1,148,995	22%	3,995,005	78%
Investment income	8,538	(1,284)	-15%	2,746	32%	5,792	68%
Fire revenue	5,152,538	364,212	7%	1,151,741	22%	4,000,797	78%
Total Revenue	\$ 10,303,000	\$ 728,011	7%	\$ 2,304,361	22%	\$ 7,998,638	78%
Expenditures							
Police							
Salary	\$ 2,385,818	\$ 591,929	25%	\$ 1,191,723	50%	\$ 1,194,095	50%
Benefits	2,076,050	511,650	25%	1,013,174	49%	1,062,876	51%
Automotive and radio fees	425,299	87,467	21%	175,754	41%	249,545	59%
Services & Supplies	28,050	-	0%	-	0%	28,050	100%
Administrative costs							
State Fee - Tax Administration	118,000	-	0%	-	0%	118,000	100%
Audit services	6,436	-	0%	207	3%	6,229	97%
Liability insurance	108,674	27,063	25%	54,561	50%	54,113	50%
Police Expenditures	5,148,327	1,218,109	24%	2,435,419	47%	2,712,908	53%
Fire							
Salary	2,426,282	639,876	26%	1,288,928	53%	1,137,354	47%
Benefits	2,135,441	548,830	26%	1,073,410	50%	1,062,031	50%
Automotive and radio fees	202,606	46,426	23%	96,707	48%	105,899	52%
Equipment	258,180	2,174	1%	-	0%	258,180	100%
Services & Supplies	31,270	76	0%	114	0%	31,156	100%
Administrative costs							
State Fee - Tax Administration	118,000	-	0%	-	0%	118,000	100%
Audit services	6,436	-	0%	207	3%	6,229	97%
Liability insurance	109,689	31,586	29%	60,784	55%	48,905	45%
Fire Expenditures	5,287,904	1,268,968	24%	2,520,150	48%	2,767,754	52%
Total Expenditures	\$ 10,436,231	\$ 2,487,077	24%	\$ 4,955,569	47%	\$ 5,480,662	53%

Notes

(a) Approved budget is adopted budget plus encumbrances rolled over from prior year



Measure W Police & Fire Protection Services Budget Update Glossary

May 30, 2018

This Glossary is provided to Members of the City of Stockton Measure W *Independent Citizen's Oversight Committee* to assist them in carrying out the duties assigned by the City Council, to "review revenues and expenditures, providing a second independent verification that all expenditures are being made as promised to Stockton residents. The terms are listed in the order they appear on the financial reports

Approved Budget

The approved budget presented on financial reports is the budget adopted by City Council, increased by encumbrances from the prior year.

Tax Revenue

Includes proceeds from the special sales and transaction tax collected by the State of California and forwarded to the City. Time needed for sellers to calculate and remit their taxes and for the State to receive and distribute tax to Stockton lead to a 60 to 90 day interval between earning and receipt of tax.

Quarterly reports present only revenue received through the report date, while annual reports include revenue to be received related to taxes collected on sales of the fiscal year.

Investment Income

Interest earned and gain or loss on investments of the Measure W cash on hand, including reserves that are invested with all other City pooled cash and liquid investments.

Expenditures

Council adopted a policy to split Measure W resources evenly between the Fire and Police departments. The respective Chiefs decide what public safety activities to spend revenues on.

Salaries

Rates are based on compensation levels agreed to in collective bargaining, and are available to view on the City website. No administrative staff costs are charged to the fund. In FY 2016-17, the tax paid for twenty-five sworn staff in both the Police and Fire Departments.

Benefits

Benefits are based on collective bargaining agreements that are available for inspection on the City website, and insurances are based on premium and program costs, and include retirement, Medicare, worker's compensation, health, life and disability insurance.



Automotive Internal Service Fee

Costs of vehicles, maintenance and repairs (excluding fuel) assigned to the program using cost recovery criteria applied to all other City departments.

Radio Internal Service Fee

Cost of equipment, maintenance and services assigned to the program using the cost recovery criteria applied to all other City departments.

Fuel

Cost of fuel for vehicles or equipment that are assigned to the program by the Chiefs.

Equipment & vehicle purchase/replacement

Periodic cost to purchase assets for public safety, dependent upon to resources available in the Fund.



Supplies

Supplies include personal protective equipment, and emergency medical materials.

Tax Administration

The cost paid to the State of California to collect Measure W tax, audit sellers, and remit to the City.

Tax Revenue Review

Because of the complexity of how the tax is applied, the City contracts with a consultant to forecast revenues, and review and further audit what has been remitted by State. Advisory services are paid as a flat fee and audit fees are charged as a percentage of recoveries.

General Liability Insurance

Insurance is based on the City-wide program costs and includes indemnity, claims and settlement costs for general, automobile, errors and omissions, public officials, employment practices, and inverse condemnation liabilities.

Net Annual Activity

The government sector terminology for the difference between revenue and expenses.

Fund Balance

The accumulation of revenues and expenses over the life of a fund, which includes reserves as well as spendable resources.

Available Fund Balance

The spendable portion of resources in the fund. The available fund balance is the difference between liquid assets, less short term liabilities, reserves and encumbrances.

Fund

The government sector term for a self balancing set of accounts that make up a fiscal entity.

Encumbrances

An encumbrance functions as a virtual expenditure, with the purpose of reserving appropriations for contracts or commitments until the obligation to pay is created. During the year, encumbrances help the government track its available, uncommitted appropriation balances. At the end of a fiscal year, the City of Stockton generally rolls encumbrances to a subsequent fiscal year.