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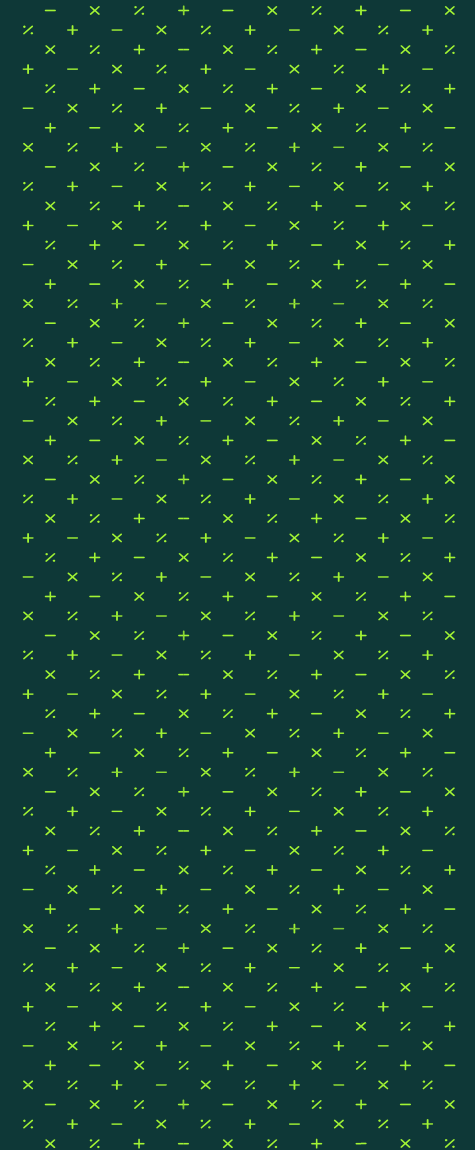
City of Stockton

Measure A Expenditure Guidelines Facilitation and Development Support

Audit Committee Meeting

July 8, 2024

Attachment A



Agenda

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01 OBJECTIVES AND SCOPE

02 EXPENDITURE GUIDELINES OVERVIEW

03 ACTIVITIES

04 RESULTS AND NEXT STEPS



Objectives and Scope

The purpose of this engagement was to support the City in developing Measure A expenditure guidelines, including:

- Providing peer benchmarking and best practice recommendations for general tax measure expenditure guidelines
- Facilitating at least two work sessions with City staff to support compilation of expenditure guidelines elements and prioritization criteria
- Reviewing draft expenditure guidelines as requested and providing recommendations



What are Expenditure Guidelines?

Expenditure guidelines:

- Are a set of documented principles that govern how tax revenue generated from a tax measure can be spent
- Are meant to ensure that tax revenue is used in a responsible and transparent manner that aligns with the goals and objectives of the tax measure
- Can vary from broadly defining the categories of planned spending to more detailed policies that govern how funds are spent
- Set helpful guardrails for general tax measures but do not place strict limits on the use of funds



Activities

We conducted the following activities to support the City in developing expenditure guidelines:

- Interviewed 7 peer cities with similar general tax measures and reviewed examples of their expenditure guidelines where possible
- Provided a summary of peer benchmarking results to City staff
- Held two work sessions with City staff to support the development of draft expenditure guidelines
- Reviewed the City's draft expenditure guidelines before finalization



Peer Benchmarking Results

City	Measure Name	Measure Year	Measure Purpose	Oversight Committee?	Expenses Tracked Separately	Expenditure Guidelines?	Type of Guideline
Stockton	A	2013	Public safety and restoring City services post-bankruptcy	Yes	No	Yes	Identified spending priorities (need to be updated)
Bakersfield	N	2018	Public safety, homelessness, economic development, and unrestricted general revenue purposes	Yes	Yes	Yes	Financial Management Policy
Elk Grove	E	2022	Public safety, homelessness, street and park maintenance, and other general community purposes	Yes	Yes (Sub-fund)	Yes	Annual Spending Plan
Modesto	H	2022	Public safety, homelessness, general maintenance, and other general city services	Yes	Yes (Sub-fund)	Yes	Annual Spending Plan
Pasadena	I	2018	Public safety, street/sidewalk repair, homelessness, after-school programs, senior services, and other general fund services	No	No	No	/
Sacramento	U	2018	Public safety, homelessness, affordable housing, libraries, park maintenance, high wage job promotion, youth programming, and other essential services	Yes	Yes (Sub-fund)	No	/
Santa Ana	X	2018	Public safety, homelessness, street and park maintenance, youth and senior services, and other unrestricted general revenue purposes	Yes	Yes	Yes	Annual Spending Plan
San Jose	B	2016	Public safety, street maintenance, maintaining the City's long-term financial stability, and other essential City services	Yes	No	No	/



Results and Next Steps

- The City presented its expenditure guidelines and proposed FY25 expenditure plan to the Measure A Citizens' Advisory Committee on June 6, 2024
- The City plans to present its expenditure guidelines and proposed FY25 expenditure plan to City Council on July 9, 2024



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