

**Police and Fire Departments
Measure W - 081 (a)
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 2,896,657	\$ 3,289,645	\$ 4,665,213	\$ 3,826,809
Revenues				
Police				
Measure W Sales Tax	5,311,128	5,830,051	5,100,000	4,800,000
Investment Proceeds	(116)	47,055	19,762	18,000
	<u>5,311,012</u>	<u>5,877,106</u>	<u>5,119,762</u>	<u>4,818,000</u>
Fire				
Measure W Sales Tax	5,311,128	5,830,051	5,100,000	4,800,000
Investment Proceeds	(87)	49,343	25,238	12,000
	<u>5,311,041</u>	<u>5,879,394</u>	<u>5,125,238</u>	<u>4,812,000</u>
	<u>10,622,053</u>	<u>11,756,500</u>	<u>10,245,000</u>	<u>9,630,000</u>
Expenditures				
Police				
Salary & Benefits	4,421,173	4,496,797	4,587,723	4,744,190
Services & Supplies	376,397	399,953	616,938	628,501
Administration	219,521	236,698	273,194	289,890
	<u>5,017,091</u>	<u>5,133,448</u>	<u>5,477,855</u>	<u>5,662,581</u>
Fire				
Salary & Benefits	4,577,460	4,682,513	4,664,017	4,958,740
Services & Supplies	264,678	223,910	337,856	363,124
Administration	224,971	239,158	279,966	309,943
Equipment & Maintenance	144,865	101,903	323,710	85,000
	<u>5,211,974</u>	<u>5,247,484</u>	<u>5,605,549</u>	<u>5,716,807</u>
	<u>10,229,065</u>	<u>10,380,932</u>	<u>11,083,404</u>	<u>11,379,388</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity				
Police	293,921	743,658	(358,093)	(844,581)
Fire	99,067	631,910	(480,311)	(904,807)
	<u>392,988</u>	<u>1,375,568</u>	<u>(838,404)</u>	<u>(1,749,388)</u>
Ending Available Balance	\$ 3,289,645	\$ 4,665,213	\$ 3,826,809	\$ 2,077,421
Available Balance Calculation				
Current assets		\$ 5,106,291		
Current liabilities		(441,078)		
Program Commitments		-		
Ending Available Balance		<u><u>\$ 4,665,213</u></u>		

(a) The portion of Measure W Fund - 081 relating to Fire is also presented in Fire on page E-17.

POLICE DEPARTMENT**MEASURE W FUND (081)****PROGRAM DESCRIPTION**

Stockton's voters approved Measure W in November 2004, which authorized a one-quarter percent Transaction and Use Tax to provide additional public safety services with the proceeds being split equally between the Police and Fire Departments. The program guidelines include an Economic Uncertainty fund reserve to be funded at 25% of annually-budgeted revenues. This reserve is currently fully funded.

The Police Department uses the funds primarily to pay for Police Officer salaries and benefits. Some Measure W dollars have also been used to purchase equipment, vehicles, and radios for Measure W-funded Police Officers.

KEY CONSIDERATIONS

- Measure W will continue to pay for salaries, benefits, and equipment for 24 Police Officer positions in FY 2020-21 assigned to the Field Operations Division for street patrol.
- Measure W proceeds are anticipated to decrease by 6% from the current year-end projection. Revenues continue to be monitored closely to ensure the long-term affordability of planned expenditures from tax revenues. Updated revenue estimates with the recessionary impact of the COVID-19 pandemic are \$2 million less than FY 2018-19 receipts. In times of revenue declines, the Economic Uncertainty Fund is intended to be used to maintain service levels. The purpose of the fund balance is to use reserves to fund Police Officer salaries, benefits, and associated equipment. Continuing to fund 24 Officers will draw down the fund balance in both FY 2019-20 and FY 2020-21.
- The budgeted amount in Services and Supplies in FY 2020-21 will fund ammunition for the Measure W funded officers.
- The State of California charges a quarterly administration fee for services associated with the collection of the Measure W Public Safety Sales Tax. A sales tax audit contract provides auditing/compliance services to ensure sales tax is properly collected and distributed.
- In FY 2020-21, the Police Department's share of the recommended Economic Uncertainty reserve is approximately \$1.2 million. The overall budget projection indicates that the balance in the Measure W Economic Uncertainty Fund will fall short of the program guidelines by approximately 1%.

FIRE DEPARTMENT**MEASURE W FUND (081)****PROGRAM DESCRIPTION**

Stockton's voters approved Measure W in November 2004, which authorized a one-quarter percent Transaction and Use Tax for public safety services. Proceeds are split equally between the Police and Fire Departments. The program guidelines include an Economic Uncertainty fund reserve of 25% of annually budgeted revenues. The Fire portion of this reserve is fully funded.

The Fire Department uses Measure W proceeds to pay for a portion of Fire suppression personnel salary and benefits assigned to Fire Company No. 3 (southeast Stockton), Fire Company No. 4 (central Stockton) and Fire Company No. 13 (northeast Stockton). Proceeds have also been used for one-time purchases of fire engines, equipment, and radios. For the past six years, Measure W proceeds have consistently funded the salary and benefits of 25 firefighting positions that provide fire protection and other emergency services.

KEY CONSIDERATIONS

- Measure W revenues will continue to pay for 25 firefighting positions. One-time funds from the prior fiscal year will be rolled over to FY 2020-21 to complete the procurement and installation of three extractors to clean and decontaminate firefighter turn-out gear; and to complete other deferred maintenance in various fire stations for removing worn-out carpets, and for decontamination and painting of apparatus bays.
- Measure W proceeds are anticipated to decrease by 6% from the current year-end projection. Revenues continue to be monitored closely to ensure the long-term affordability of planned expenditures from tax revenues. Updated revenue estimates with the recessionary impact of the COVID-19 pandemic are \$2 million less than FY 2018-19 receipts. In times of revenue declines, the Economic Uncertainty Fund is intended to be used to maintain service levels. The purpose of the fund balance is to use reserves to fund firefighter salaries, benefits, and associated equipment. Continuing to fund 25 positions will draw down the fund balance in both FY 2019-20 and FY 2020-21.
- Measure W tax proceeds will be used for annual new diver training for the Fire Department's Water Rescue Operations Program, and will also provide one-time funds in FY 2020-21 for the purchase of a Hazardous Materials Command ID equipment for identifying unknown chemicals and substances accurately and safely during emergency incidents.
- The State of California charges a quarterly administration fee for services associated with the collection of the Measure W Public Safety Sales Tax. A sales tax audit contract provides auditing/compliance services to ensure sales tax is properly collected and distributed.
- In FY 2020-21, the Fire Department's share of the recommended Economic Uncertainty reserve is approximately \$1.2 million. The overall budget projection indicates that the balance in the Measure W Economic Uncertainty Fund will fall short of the program guidelines by approximately 6%.