

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES FOR
MEASURE K
COLLECTION, MANAGEMENT AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2015**

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APPLYING AGREED UPON PROCEDURES FOR
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FOR THE YEAR ENDED JUNE 30, 2015**

Honorable Mayor and Members
of the City Council
City of San Pablo, California

We have performed the procedures described below, which were agreed to by the City of San Pablo solely to assist you with respect to the collection, management and expenditure of Measure K revenues for the year ended June 30, 2015. This engagement is solely to assist the City in complying with the requirements of Section 3.26.140 of Ordinance 2014-007. Management is responsible for the collection, management and expenditure of Measure K revenues. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and findings are as follows:

1. We obtained Ordinance 2014-007 imposing the Measure K transaction and use tax and noted that "...all revenue from the tax shall be restricted revenue used solely to fund emergency medical services for the City of San Pablo."
2. We obtained a confirmation of Measure K transaction and use tax remittances of \$380,369 for the fiscal year from the State Controller's Office and reconciled it to revenues recorded in the general ledger Measure K account (201-0000-31301) of \$483,469. The difference of \$103,100 was due to the accrual of the June 2015 remittance which was accrued in the general ledger, but not included on the State Controller's Office confirmation due to timing.
3. Ordinance 2014-007 indicates the same citizens' oversight committee established in February 2013 for the oversight of Measure Q could be used for the oversight of Measure K. Therefore, we obtained and read Resolution No. 2013-025 that established the Measure Q citizens' oversight committee in February 2013. Per inquiry of City staff, the five member citizens' oversight committee has not yet discussed Measure K transactions.
4. We inquired of City management whether there were any City Council directives adopted during the fiscal year affecting Measure K revenues and were informed there were none.
5. We obtained the general ledger detail of expenditures of Measure K revenues for the year ended June 30, 2015.

6. Below is a summary of the expenditures of the Measure K funds obtained in procedure #5 by type and purpose:

a. Contra Costa County Fire Protection District contract for supplemental EMS squad at Station 70	\$347,702
b. Payroll (salary and benefits by employee, position)	-
c. Sponsorships	-
d. Professional services	-
e. Capital outlay	-
f. Other	-
Total Measure K Expenditures	<u>\$347,702</u>

7. We obtained the supporting documentation or City staff's explanation for cumulative charges by employee in category b. in #6 above that exceed \$5,000 and for individual transactions in categories a. and c. through f. in #6 above that exceed \$5,000 as follows:

- a. Contra Costa County Fire Protection District contract for supplemental EMS squad at Station 70:
 - i. Check #112929 in the amount of \$147,702 to the District dated February 19, 2015, is payment for the fire apparatus purchase for the squad that will be operated out of Station 70.
 - ii. Check #113843 in the amount of \$200,000 to the District is payment for Fire Station 70 enhanced EMS services for the months of May 2015 and June 2015.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or internal controls. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the City and is not intended to be and should not be used by anyone other than those specified parties.

Mayer & Associates

Pleasant Hill, CA
February 24, 2016