

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES FOR
CITY OF SAN PABLO
MEASURE Q
COLLECTION, MANAGEMENT AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2017**

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**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES FOR
MEASURE Q COLLECTION, MANAGEMENT AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2017**

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 Pablo (City) on the collection, management and expenditure of Measure Q revenues for the year ended June 30, 2017. This engagement is solely to assist the City in complying with the requirements of Section 3.25.140 of Ordinance 2012-005. The City's management is responsible for the collection, management and expenditure of Measure Q revenues. 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 associated findings are as follows:

1. We obtained Ordinance 2012-005 imposing the Measure Q transaction and use tax and noted that the tax "is a general tax whose proceeds shall be deposited in the City's General Fund and expended for any lawful purposes of the City."
2. We obtained a confirmation of Measure Q Sales Tax Add-On remittances of \$1,521,286 for the fiscal year from the State Controller's Office and reconciled it to the revenues recorded in the general ledger Measure Q account (100-0000-31303) of \$1,533,386. The difference was due to a prior year accrual of the June 2016 remittance in the amount of \$232,900 that was included on the State Controller's Office confirmation, net of the current year accrual of the June 2017 remittance for \$245,000, which was accrued in the general ledger, but not included on the State Controller's Office confirmation due to timing.
3. We obtained Resolution No. 2013-025 that established the citizens' oversight committee. Per inquiry of City staff, the five member citizens' oversight committee was established in February 2013. The Committee met once during the fiscal year, on May 31, 2017 and discussed the following:
 - I. Introduction and swearing in of two new Directors
 - II. Selection of Chair and Vice Chair
 - III. Presentation of Informational Report to Independent Citizens Oversight Committee regarding Measure Q 2015/16 Annual Report
 - IV. Approval and Execution of 2015/16 Compliance Statements for Measure Q for period ending June 30, 2016
4. We inquired of City management whether there were any City Council directives adopted during the fiscal year affecting Measure Q revenues. We noted the City Council directed \$350,00 be granted to the San Pablo Economic Development Corporation.
5. We obtained the general ledger detail of expenditures applied to the Measure Q funding (Task Mea-Q13) for the year ended June 30, 2017.

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

a. Payroll (salary and benefits by employee position):	
Youth Services Program Coordinator	\$91,241
Program Assistant	22,273
Police Officer	30,568
Police Cadet	6,079
Recreation Coordinator	112,667
Recreation Coordinator	25,217
Recreation Supervisor	36,891
Administrative Intern	14,395
Police Officer	193,490
b. Professional Services	376,461
c. Grant to the San Pablo Economic Development Corporation	350,000
d. Capital Outlay	200,182
e. Other	3,075
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Total Measure Q Expenditures	<u>\$1,462,539</u>

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

I. Payroll:

- i. Youth Services Program Coordinator – The amount of payroll and benefits charged for this position was based on actual hours worked during the pay periods ended July 19, 2016 to June 30, 2017. Per City staff, the position has been assigned by management to Measure Q.
- ii. Program Assistant – The amount of payroll and benefits charged for this position was based on actual hours worked during the pay periods ended July 19, 2016 to June 30, 2017. Per City staff, the position has been assigned by management to Measure Q.
- iii. Police Officer - Gang Unit Officer - The amount of payroll and benefits charged for this position was based on actual hours worked during the pay periods ended July 19, 2016 to June 30, 2017. Per City staff, the position has been assigned by management to Measure Q.
- iv. Police Cadet - The amount of payroll and benefits charged for this position was based on actual hours worked during the pay periods ended August 4, 2016 to June 30, 2017. Per City staff, the position has been assigned by management to Measure Q.
- v. Recreation Coordinators - The amount of payroll and benefits charged for this position was based on actual hours worked during the pay periods ended July 19, 2016 to June 30, 2017. Per City staff, the position has been assigned by management to Measure Q.

- vi. Recreation Supervisor - The amount of payroll and benefits charged for this position was based on actual hours worked during the pay periods ended October 4, 2016 to June 30, 2017. Per City staff, the position has been assigned by management to Measure Q.
- vii. Administrative Intern - The amount of payroll and benefits charged for this position was based on actual hours worked during the pay periods ended July 19, 2016 to June 30, 2017. Per City staff, the position has been assigned by management to Measure Q.

II. Professional Services:

- i. Check #'s 118778, 119287, 119660, 119896, and 120169 totaling \$97,257, to Bay Area Community Resources, for the period July 2016 through June 2017. Per City staff, the costs were charged to Measure Q to provide two full-time Community School Coordinators, who are responsible for the coordination of programs and services to support the whole child.
- ii. Check #'s 119604 and 120183 totaling \$23,610, to Desarrollo Familiar, are payments for Project Well Being and Youth Matters. Per City staff, the costs were charged to Measure Q to provide trauma-informed mental health services and culturally-relevant newcomer groups to support recent immigrants at Helms Middle School.
- iii. Check #'s 118768, 119408, 119653, 119963, and 120236 totaling \$56,023, to YMCA of the East Bay Young Men's Christian Association, are payments for salaries and wages to provide trauma counseling services for the period of July 2016 through June 2017.

III. Capital Outlay:

- i. Check # 121321 in the amount \$200,182, to Odin Surveillance Systems was a payment for the purchase, installation and maintenance of security cameras at Chelsey and Downer schools as a crime reduction measure.

IV. Economic Development Corporation Grant:

- i. Check #118001 in the amount of \$350,000 to San Pablo Economic Development Corporation is funding to the Corporation approved by the August 1, 2016 City Council Resolution #2016-254 for programs related to public safety (including gang prevention), job creation and job training for local residents (including the disenfranchised), youth services, and all other general city services vital to the preservation of public health, safety and welfare.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Measure Q collection, management, and expenditures. Accordingly, we do not express such an opinion or conclusion. 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 management and the City Council and is not intended to be and should not be used by anyone other than those specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

Maze & Associates

Pleasant Hill, California
March 8, 2018