

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

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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 San Pablo (City) solely to assist you with respect to the collection, management and expenditure of Measure K revenues for the year ended June 30, 2017. This engagement is solely to assist the City in complying with the requirements of Section 3.26.140 of Ordinance 2014-007. The City’s 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 associated 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 (EMS) for the City of San Pablo.”
2. We obtained a confirmation of Measure K transaction and use tax remittances of \$744,252 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 \$813,629. The difference of \$69,377 was due to the difference between the \$116,900 accrual of the June 2016 remittance which was accrued in the general ledger in FY15/16 but was included in the 2017 State Controller’s Office confirmation, and the \$186,277 accrual of the June 2017 remittance which was accrued in the general ledger in FY16/17, 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. 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 K 2015/16 Annual Report
  - IV. Approval and Execution of 2015/16 Compliance Statements for Measure K 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 K revenues and were informed there were none.

5. We obtained the general ledger detail of Measure K expenditures applied to funding for the year ended June 30, 2017.
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	<u>\$1,200,000</u>
Total Measure K Expenditures	<u><u>\$1,200,000</u></u>

7. We obtained and reviewed the supporting documentation for the Measure K expenditures listed in #6 above, which consisted of the following:

I. Contra Costa County Fire Protection District contract for supplemental EMS squad at Station 70:

Date	Check #	Payee	Amount	Description
10/13/2016	118646	Contra Costa County Fire Protection District	\$ 300,000	Enhanced emergency medical services from Fire Station 70: July - September 2016
1/12/2017	119451	Contra Costa County Fire Protection District	\$ 300,000	Enhanced emergency medical services from Fire Station 70: October-December 2016
4/13/2017	120432	Contra Costa County Fire Protection District	\$ 300,000	Enhanced emergency medical services from Fire Station 70: January-March 2017
6/30/2017	121470	Contra Costa County Fire Protection District	\$ 300,000	Enhanced emergency medical services from Fire Station 70: April-May 2017

Total \$ 1,200,000

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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.

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 audit, or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the specified elements, accounts, or internal controls. 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.

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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.

Pleasant Hill, California  
**DATE**, 2017