

## CITY AUDITOR'S IMPARTIAL FINANCIAL ANALYSIS OF MEASURE BB

### SUMMARY

On November 2, 2004, Oakland voters adopted the Violence Prevention and Public Safety Act of 2004, also known as Measure Y. Measure Y provides for the collection of dedicated parcel taxes and a parking tax surcharge to do the following:

1. Hire 63 officers assigned to Community and Neighborhood Policing
2. Expand Violence Prevention Programs
3. Maintain staffing and equipment for Fire Services

The taxes became effective on January 1, 2005, and continue in effect for 10 years.

Approval of this measure will enact various amendments to Measure Y; however, none of the amendments will change the existing tax rates. Many of the amendments are intended to clarify the language of the Measure Y ordinance. The most significant amendment will be the suspension of the minimum police staffing appropriation requirement for five years (7/1/2010-7/1/2015), in that the suspension of the requirement will allow the City to continue to collect the Measure Y tax.

The following list summarizes key amendments to Measure Y:

- Use of tax proceeds amendments include:
  - Funding for a variety of violence prevention services and will not be limited to the ones listed in the measure
  - Operating "up to" 25 fire engine companies and 7 truck companies
  - Covering the cost of collecting the Measure Y tax
  - Paying for or reimburse costs for services during any period that the City did not collect taxes for Measure Y
- From July 1, 2010 – July 1, 2015, there will be no minimum police staffing appropriation requirement
- Specific collections amendments that apply only to fiscal year (FY) 2010-2011:
  - The full annual tax rate will be levied and imposed as of November 2, 2010
  - The City may collect the tax via a handbill or through the Alameda County Tax Collector

If this measure is approved by a majority of voters, the amendments will be effective beginning January 1, 2011.

## **FINANCIAL IMPACT**

If this amendment does not pass, the City will not be able to collect approximately \$20 million in tax revenues. Therefore, the Measure Y objectives for Fire Services, Violence Prevention Programs, and Community and Neighborhood Policing will no longer be funded. The table below shows Measure Y revenues over the last three fiscal years. If this amendment does pass, the tax proceeds can be collected, and the Measure Y objectives will be funded, including 63 community-policing officer positions.

<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>TOTAL</b>
Audited	Audited	Unaudited	
\$20,090,954	\$19,676,477	\$19,797,423	<b>\$59,564,854</b>

Based on our analysis of the data provided by City staff, we verified the accuracy of the Measure Y revenues and program impacts. We relied on the best data available at this time.

s/COURTNEY A. RUBY, CPA, CFE  
City Auditor