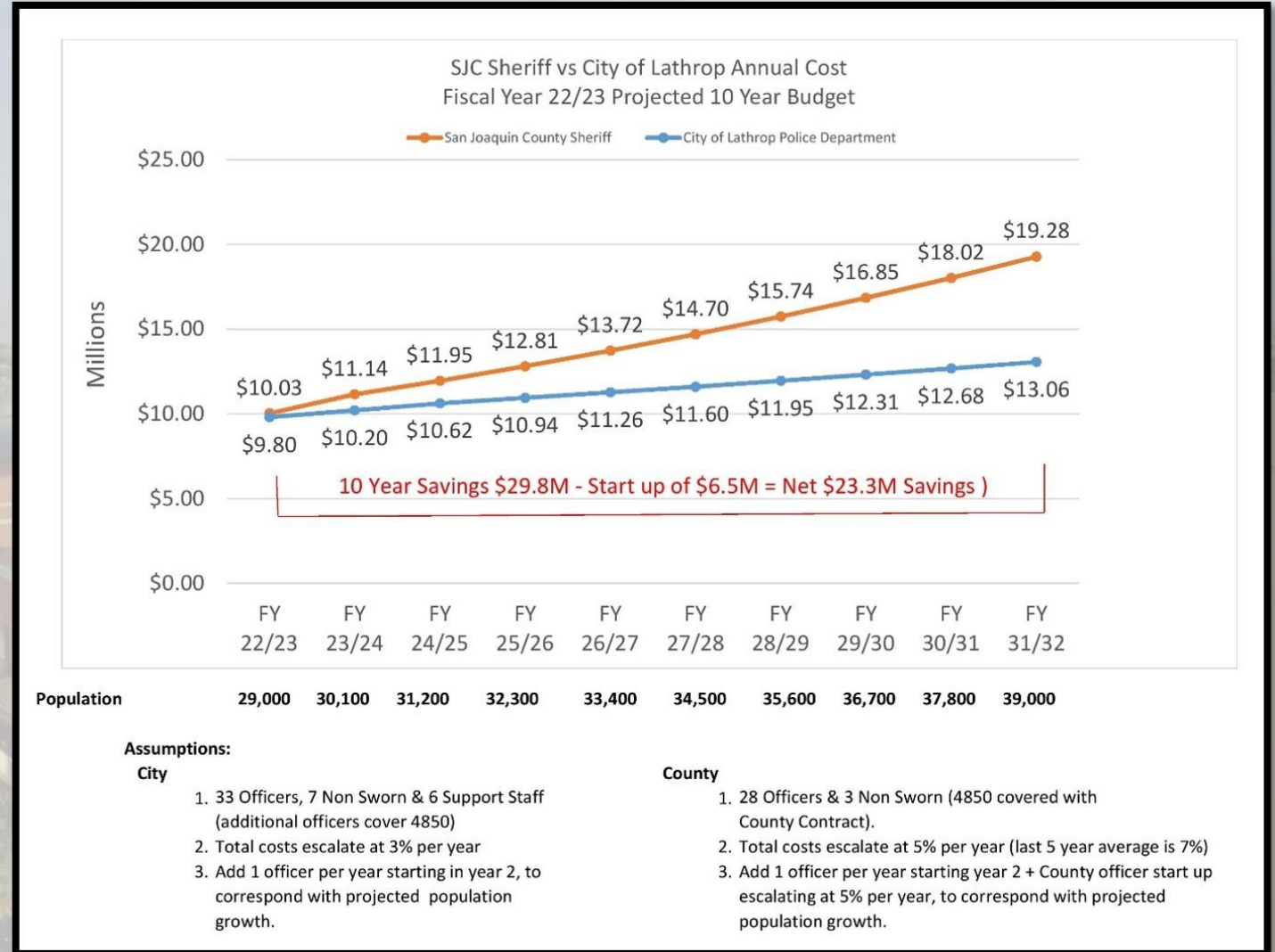


Why this is the right move, right now

- The City of Lathrop has worked diligently to reach financial stability.
- Due to the City Council's fiscal stewardship, Lathrop is one of the ten most financially sound cities in California.
- Because of the city's strong financial position, Lathrop has the resources needed to transition from contracting policing services to its own Police Department by July 1, 2022.



Why this is the right move, right now (cont.)

- Creating our own City Police Department will provide expanded service tailored to the community.
- The long-term cost-saving projections are clear - the City of Lathrop will provide more services at less cost by creating its own.



Assumptions:

City of Lathrop

1. City Retirement escalates at an average 3% per year.

San Joaquin County Sheriff

1. SJC Sheriff Retirement Tier 1 escalates at an average 5.91% per year (last 8 year average).
2. SJC Sheriff Retirement Tier 2 escalates at an average of 7% per year (last 8 year average).