



VISALIA
A BETTER WAY OF LIVING

Finance & Technology Department

Measure N Independent Accountant' Report (July 1, 2024 – June 30, 2025)

Measure N

- ▶ The Measure is a 1/2 cent Sales Tax for essential City services such as Police, Fire, Recreation, as well as maintenance of parks, roads, and City facilities.
- ▶ The Measure uses a detailed 10-year plan.
- ▶ Measure N was approved by the voters November 2016 and became effective April 1, 2017.

Measure N Requirements:

► Revenues:

- 30% of actual operating expenses go to the Uncertainty Fund for a fiscal emergency.
- 10% of budgeted revenues go to the following programs:
 - 2% Youth Programs
 - 8% Maintenance and Emerging Needs

► Expenditures:

- Money shall not be used for debt service payments
- Annual expenditure plan must be approved by Council after the following has occurred:
 - City Manager makes a recommendation to City Council.
 - Comments and recommendation received by Sales Tax Oversight Board.
 - Two public hearings are held at regular Council Meetings.

Measure N Requirements (cont):

► Sales Tax Oversight Board:

- Board consists of 11 members that are appointed as specified in the plan
- Reviews Measure N budgets prior to adoption
- Reviews Independent Accountants' Report on Applying Agreed-Upon Procedures

► Independent Accountants' Report on Applying Agreed-Upon Procedures:

- An Independent Auditor will annually review tax revenues received and expenditures from the measure, to ensure compliance with the Ballot Measure, Program Guidelines and Expenditure plans.

► Effectiveness Review:

- Reviewed the progress of the Measure N Plan and the continuing need for the sales tax measure at City Council meeting on March 17, 2025, and review every 8 years thereafter (next review 2033).

Measure N FY 24/25 Report

- ▶ Report Completed by M. Green and Company for Fiscal Year ending June 30, 2025.
- ▶ There were no findings.
- ▶ The Measure N Oversight Committee reviewed the report for fiscal year 24/25 on January 12, 2026.

Measure N Actual to Actuals Comparison

(ACFR Document Pg 34 & 38)

NOTES:

* Fund balance includes the Economic Uncertainty Fund of \$3,091,410 (30% of the operating expenses).

**GASB 96 requires City to record certain Subscription Based Information Technology (SBITA) Arrangements.

	23/24 Actual	24/25 Actual
REVENUES		
Sales Taxes	\$ 18,394,594	\$ 18,733,236
Interest Earnings & Miscellaneous	1,706,882	2,154,584
Grants - Police	35,611	41,811
Total Revenues	<u>20,137,087</u>	<u>20,929,631</u>
EXPENDITURES		
General Government	(235,867)	(228,496)
Public Safety:		
Fire	(1,628,256)	(1,802,954)
Police	(6,318,012)	(7,047,496)
Community Services	(757,760)	(888,720)
Capital Outlay	(12,214,788)	(5,104,444)
Debt Service (Note 7)		
SBITA-Principal**	(279,520)	(309,507)
SBITA-Interest**	(33,173)	(28,855)
Total Expenditures	<u>(21,467,376)</u>	<u>(15,410,472)</u>
Revenues Over (Under) Expenditures	<u>(1,330,289)</u>	<u>5,519,159</u>
Other Financing Sources (Uses)		
Subscription Assets Acquired	1,644,951	-
Transfers In	-	24,082
Transfers Out	-	(242,500)
Total Other Financing Sources (Uses)	<u>1,644,951</u>	<u>(218,418)</u>
Net Change in Fund Balance	314,662	5,300,741
Fund Balance Beginning of Year	<u>36,585,593</u>	<u>36,900,255</u>
Fund Balance - End of Year *	<u>\$ 36,900,255</u>	<u>\$ 42,200,996</u>

Measure N Current and Future Projects

Project Name	Roll Amount
Cape Seal	690,000
Reclamite Streets - MS N	1,071,000
Shirk Widening over Mill Creek	339,004
Station 51 Facility	4,142,523
Measure N A/C Repairs and Replacement -Various City Buildings	133,213
Measure N Roof Repairs -Various City Buildings	374,250
Measure N Building Maintenance	1,879,144
TOTAL	8,629,134

*Note: Station 51 Relocation will need additional funds of approx. \$18 million for construction

Measure N FY 24/25 – Fund Balance

	Beginning Fund Balance	24/25 Revenues	24/25 Expenditures	Other Financing Sources and (Uses)	Ending Fund Balance	CIP Rolled into FY 25/26	Fund Balance Remaining
Essential Services	26,931,784	17,439,245	14,861,236	(218,418)	29,291,375	6,242,528	23,048,847
8% Maint & Emerging Needs	6,738,424	1,914,563	371,836	-	8,281,151	2,386,606	5,894,545
2 % Youth Programs	1,263,097	451,363	177,400	-	1,537,060	-	1,537,060
Measure N Operating Funds	34,933,305	19,805,171	15,410,472	(218,418)	39,109,586	8,629,134	30,480,452
Economic Uncertainty	1,966,950	1,124,460	-	-	3,091,410	-	3,091,410
Measure N Total	36,900,255	20,929,631	15,410,472	(218,418)	42,200,996	8,629,134	33,571,862

*

*Note - The Fire Station 51 relocation construction cost will need an additional appropriation of aprox. \$18 million.

Measure N Summary

Summary:

The Independent Accountants' Report confirmed that Measure N funds are in accordance with the Ballot Measure, Program Guidelines and Expenditure Plan for Fiscal Year ended June 30, 2025.

Action Tonight:

No formal action is required today. Council is to receive and review the report.

QUESTIONS?

