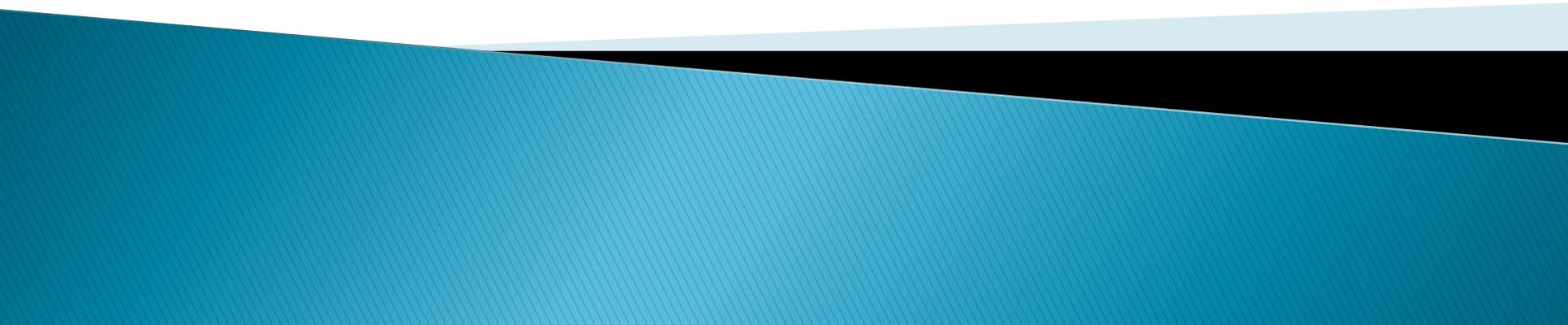


# City of Visalia Measure T Audit

***For Fiscal Year Ended  
June 30, 2022***



# Measure T – Compliance Audit

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- ▶ Compliance Audit Completed by M. Green and Company for Fiscal Year ending June 30, 2022.
  - ▶ The CAC Committee has reviewed the compliance audit report for fiscal year 21/22 on January 4, 2023.
  - ▶ No formal action is required today. Just receive and review report.
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# Audit Findings for Fiscal Year 21 /22

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- There were no audit findings for FY 21 /22.

# Measure T–Annual Presentation to Council

- ▶ February – Annual review of the compliance audit verifying that funds are in accordance with the Ballot Measure, Program Guidelines and Expenditure Plan
  - ▶ February – Annual Comprehensive Financial Report (ACFR)
  - ▶ March – Mid Year Budget Review
  - ▶ June – Annual Recertification
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# Measure T

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- ▶ Measure T was approved by the voters March 2004.
- ▶ ¼ cent Sales Tax for enhanced police and fire services.
- ▶ Sales Tax is split – 40% Fire and 60% Police.

# Measure T – Requirements

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- ▶ Measure T revenues cannot replace General Fund budgeted operating expenditures for police and fire.
- ▶ Measure T uses a detailed 20 year plan for:
  - Hiring Personnel;
  - Construction of Facilities; and
  - Equipment Purchases.

Original plan included a deficit that would be covered by increased revenues, lower expenditures, and General Fund subsidy. Since 2008, Measure T has been operating on an amended plan due several years of lower revenues, higher expenditures, and no subsidy from the General Fund due to rising costs.

- ▶ Measure requires an Economic Uncertainty Fund
  - 25% of the annually budgeted revenues will be deposited into a separate fund for emergency use.

# Measure T – Requirements

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## ▶ **Annual Audit**

- An Independent Auditor will annually review tax revenues received and audit expenditures from the Measure, to ensure compliance with the expenditure plans.

## ▶ **Annual Recertification**

- Annual Recertification of the plan with detail of what monies have been received, what monies have been spent, and what monies are available. This is done every June.

## ▶ **Effectiveness Review**

- Review the progress of the Measure T Plan and the continuing need for the sales tax measure at the first City Council meeting in January 2029, and every 8 years thereafter.
  - Last review completed in 2021

# Measure T Police - Actuals:

	Measure T - Police	
	20/21	21/22
	Actual	Actual
<b>REVENUES</b>		
Measure T Sales Tax	\$ 5,062,419	\$ 5,930,439
Subventions and Grants	18,496	4,933
Interest Earnings + Miscellaneous	141,740	(35,381)
Total Revenues	<u>5,222,655</u>	<u>5,899,991</u>
<b>EXPENDITURES</b>		
Expenditures	<u>(3,696,282)</u>	<u>(4,006,265)</u>
Revenues Over (Under) Expenditures	<u>1,526,373</u>	<u>1,893,726</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
VECC Debt Payment	<u>(151,477)</u>	<u>(151,249)</u>
Total Other Financing Sources (Uses)	<u>(151,477)</u>	<u>(151,249)</u>
Net Changes in Fund Balance	<u>1,374,896</u>	<u>1,742,477</u>
Fund Balance - Beginning of Year	3,677,302	5,052,198
Fund Balance - End of Year*	<u>\$ 5,052,198</u>	<u>\$ 6,794,675</u>

\*Included in the end of year fund balance is the Economic Uncertainty Fund of \$992,138 (25% of the annual budgeted revenues).

# Measure T Fire – Actuals:

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	Measure T - Fire	
	20/21 Actual	21/22 Actual
<b>REVENUES</b>		
Measure T Sales Taxes	\$ 3,374,946	\$ 3,953,626
Subventions and Grants	20	3,421
Charges for Current Services	37,790	100,685
Interest Earnings + Miscellaneous	28,703	(123,885)
Total Revenues	<u>3,441,459</u>	<u>3,933,847</u>
<b>EXPENDITURES</b>		
Operating	(2,755,334)	(2,928,345)
Capital Expenditures	-	(543)
Total Expenditures	<u>(2,755,334)</u>	<u>(2,928,888)</u>
Revenues Over (Under) Expenditures	<u>686,125</u>	<u>1,004,959</u>
Net Changes in Fund Balance	<u>686,125</u>	<u>1,004,959</u>
Fund Balance - Beginning of Year	5,203,645	5,889,770
Fund Balance - End of Year *	<u><u>\$ 5,889,770</u></u>	<u><u>\$ 6,894,729</u></u>

\*Included in the end of year fund balance is the Economic Uncertainty Fund of \$675,662 (25% of the annual budgeted revenues).

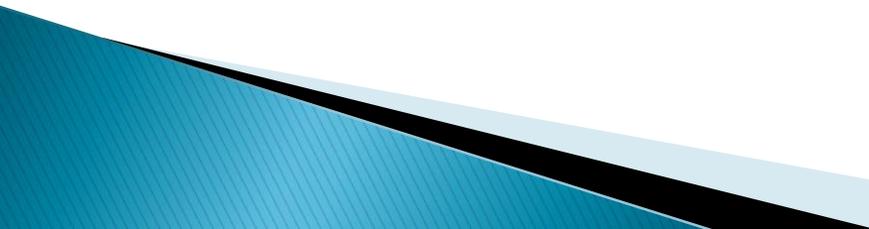
# Plan Elements Implemented

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## Fire Plan Elements Implemented:

- Hired 13 firefighters
- Purchased 1 apparatus & 1 Engine
- Built Station 55 & Training Facility
- Built Station 53

## Police Plan Elements Implemented:

- Hired 23 officers
  - Purchased vehicles
  - Built 2 Police precincts
  - Built VECC (Visalia Emergency Communication Center)
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# Future Plan Elements

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## Fire Elements to Implement:

- Contribute towards Public Safety Headquarters
- Hire additional firefighters
  - Plan calls for 18 firefighters. Revenues can only support 13.
  - Recommend monitoring the plan to ensure revenues cover amended plan.

## Police Elements to Implement:

- Contribute towards Public Safety Headquarters
- Hire additional officers
  - Plan calls for 28 officers. Revenues can only support 23 officers.
  - Recommend monitoring the plan to ensure revenues cover amended plan.

# Summary

The Independent Accountants' report confirmed that Measure T funds are in accordance with the Ballot Measure, Program Guidelines and Expenditure Plan for Fiscal Year ended June 30, 2022.

# Questions?

