



Finance & Technology Department

Measure T Independent Accountants' Report

Measure T

- ▶ The Measure T was approved by the voters March 2004.
- ▶ $\frac{1}{4}$ cent Sales Tax for enhanced police and fire services.
- ▶ Sales Tax is split – 40% Fire and 60% Police.



Measure T - Requirements

- ▶ 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.

- ▶ Measure T requires an Economic Uncertainty Fund
 - 30% of the actual operating expenses will be deposited into a separate fund for emergency use.

Measure T – Requirements (cont)

► **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.

► **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 - Report

- ▶ Report Completed by M. Green and Company for fiscal year ending June 30, 2025.
- ▶ There were no report finding for FY 24/25.
- ▶ The CAC Committee has reviewed the report on January 7, 2026.

Measure T Police – Actual to Actuals Comparison (ACFR Document Pg 127 &136)

	23/24 Actual	24/25 Actual
REVENUES		
Measure T Sales Tax	\$ 5,529,066	\$ 5,622,553
Subventions and Grants	29,079	37,731
Interest Earnings + Miscellaneous	<u>483,132</u>	<u>535,935</u>
Total Revenues	<u><u>6,041,277</u></u>	<u><u>6,196,219</u></u>
EXPENDITURES		
Expenditures	(4,143,408)	(4,733,969)
Capital Outlay	<u>-</u>	<u>(31)</u>
Total Expenditures	<u><u>(4,143,408)</u></u>	<u><u>(4,734,000)</u></u>
Revenues Over (Under) Expenditures	<u><u>1,897,869</u></u>	<u><u>1,462,219</u></u>
OTHER FINANCING SOURCES (USES)		
VECC Debt Payment	(151,180)	(151,362)
Transfer to Compensated Absenses Fund	<u>-</u>	<u>(128,731)</u>
Total Other Financing Sources (Uses)	<u><u>(151,180)</u></u>	<u><u>(280,093)</u></u>
Net Changes in Fund Balance	<u><u>1,746,689</u></u>	<u><u>1,182,126</u></u>
Fund Balance - Beginning of Year	8,020,104	9,766,793
Fund Balance - End of Year*	<u><u>\$ 9,766,793</u></u>	<u><u>\$ 10,948,919</u></u>

*Included in the end of year fund balance is the Economic Uncertainty Fund of \$1,627,972 (30% of operating expenses).

Measure T Fire – Actual to Actuals Comparison (ACFR Document Pg 128 &137)

	23/24 Actual	24/25 Actual
REVENUES		
Measure T Sales Taxes	\$ 3,686,044	\$ 3,748,368
Charges for Current Services	54,126	152,955
Interest Earnings + Miscellaneous	<u>372,285</u>	<u>401,340</u>
Total Revenues	<u><u>4,112,455</u></u>	<u><u>4,302,663</u></u>
EXPENDITURES		
Operating	(3,138,955)	(3,414,732)
Capital Expenditures	<u>(538)</u>	<u>(1,037)</u>
Total Expenditures	<u><u>(3,139,493)</u></u>	<u><u>(3,415,769)</u></u>
Revenues Over (Under) Expenditures	<u><u>972,962</u></u>	<u><u>886,894</u></u>
OTHER FINANCING SOURCES (USES)		
Transfer to Compensated Absenses Fund	-	(130,050)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(130,050)</u>
Net Changes in Fund Balance	<u><u>972,962</u></u>	<u><u>756,844</u></u>
Fund Balance - Beginning of Year	6,416,712	7,389,674
Fund Balance - End of Year *	<u><u>\$ 7,389,674</u></u>	<u><u>\$ 8,146,518</u></u>

*Included in the end of year fund balance is the Economic Uncertainty Fund of \$1,100,676 (30% of operating expenses).

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, 2025.

Action Tonight:

No formal action is required today. Just receive and review report.

Questions?



Measure T – Annual Presentations to Council

