

Agenda

City of Visalia Measure N Oversight Committee

Don Sharp – Board of Realtors/Building Industry
Anil Chagan – Downtown Visalians/Property Owners
Vincent Salinas – Hispanic/Visalia Chamber
Rick Feder – Visalia Economic Development Council
Vacant – Citizens Advisory Committee
Vacant – Citizens Advisory Committee

Janice Avila – Council appointee
Berkley Johnson – Council appointee
Basil Perch – Council appointee
Erica Lutterbein – Council appointee
Brad Maaske – Council appointee

Thursday February 24, 2022
5:30 p.m.

Visalia Convention Center
303 E. Acequia Ave, Visalia
Kings Canyon Room

1. **Welcome and Public Comment.**

This is a time set aside for the Committee to receive public comment on issues which are not already included on the agenda. Public comment regarding items on the agenda may be open to public comment prior to the committee's discussion of the agenda item and before any action is taken on the agenda item. Members ask that comments are kept brief and positive. In fairness to all who wish to speak, each speaker will be allowed three minutes. Please begin your comments by stating your name and the street you live on.

2. **Receive and accept the FY 20/21 Measure N Audit Report. Documents attached.**

3. **Receive comments on implementing Phase 2 of the Squad Program. Documents attached.**

4. **Receive comments on redirecting \$75,000 from Measure N Youth Grants to Visalia Police Activities League (PAL). Document attached.**

5. **Future meetings and items for discussion.**

6. **Good of the Order.**

7. **Adjourn.**

Next meeting: To be determined.

In compliance with the American Disabilities Act, if you need special assistance to participate in meetings call (559) 713-4512 48-hours in advance of the meeting. For Hearing Impaired – Call (559) 713-4900 (TDD) 48-hours in advance of the scheduled meeting time to request signing services.

Any written materials relating to an item on this agenda submitted to the Measure N Oversight Committee after distribution of the agenda are available for public inspection in the Office of the City Clerk, 220 N. Santa Fe Street, Visalia CA 93292, during normal business hours.

City of Visalia Measure N Audit

*For Fiscal Year
July 1, 2020 - June 30, 2021*

Measure N:

- ▶ The Measure is a 1/2 cent Sales Tax for essential City services.
- ▶ Sales Tax from Measure N will provide 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:

- 10% of budgeted revenues go to the Uncertainty Fund for a fiscal emergency.
- 10% of budgeted revenues 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 and makes changes as requested.
 - Comments and recommendation received by Sales Tax Oversight Board.
 - Two public hearings are held at regular Council Meetings to consider expenditure plan.

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 Compliance Audits.

▶ **Annual Audit**

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

▶ **Effectiveness Review**

- Review the progress of the Measure N Plan and the continuing need for the sales tax measure at a City Council meeting before April 1, 2025, and every 8 years thereafter.

Measure N FY20/21 Budget with Actuals:

	Measure N	
	Final Budget	Actual
REVENUES		
Sales Taxes	\$ 11,588,800	\$ 16,880,055
Interest Earnings & Miscellaneous	119,200	202,593
Grants - Police	-	29,556
Total Revenues	<u>11,708,000</u>	<u>17,112,204</u>
EXPENDITURES		
General Government	(268,700)	(219,236)
Public Safety:		
Fire	(1,006,100)	(978,595)
Police	(4,100,700)	(4,293,747)
Community Services	(759,448)	(461,573)
Capital Outlay	(5,464,643)	(4,806,242)
Total Expenditures	<u>(11,599,591)</u>	<u>(10,759,393)</u>
Revenues Over (Under) Expenditures	<u>108,409</u>	<u>6,352,811</u>
Net Change in Fund Balance	<u>\$ 108,409</u>	6,352,811
Fund Balance Beginning of Year		<u>23,320,803</u>
Fund Balance - End of Year *		<u>\$ 29,673,614</u>

* Included in the end of year fund balance is the Economic Uncertainty Fund of \$1,158,880 (10% of the annual budgetd sales tax revenue).

FY 20/21 Measure N

	20/21 Budget	Prior Year Capital Rollover	Total Budget	20/21 Actuals	Comments
<u>Revenues</u>					
Sales Tax	11,588,800		11,588,800	16,880,055	
Interest & Misc Rev	119,200		119,200	232,149	
Total Revenues	11,708,000	-	11,708,000	17,112,204	
<u>Expenditures</u>					
Police					
Salary and Benefits	3,402,800		3,402,800	3,553,586	22 Police Officers/6 Professional Staff
Operating Expenditures	445,000		445,000	535,299	
Body Cameras	192,000		192,000	180,302	
Capital - Vehicles	111,600	188,071	299,671	-	19/20-3 Cars+Upfit Remaining & 20/21 2 Cars
Fire					
Salary and Benefits	781,400		781,400	769,324	1 BC, 1 Admin Capt, 1 EMS Coordinator, 3 Paramedics
Operating Expenditures	224,700		224,700	209,423	
Capital	400,000	3,816,763	4,216,763	477,780	Fire Station 56-construction & Fire Station 51-
Streets Capital	3,900,000	3,800,662	7,700,662	3,425,597	Rolled over to combine with a larger project in future years.
Parks and Recreation					
Salary and Benefits	332,800		332,800	252,970	2 Parks, 1 Urban Forestry, 1 Rec Crd lay off due to COVID
Operating Expenditures	270,000		270,000	183,797	

FY 20/21 Measure N (Continued)

	20/21	Prior Year		20/21	
	Budget	Capital Rollover	Total Budget	Actuals	Comments
Downtown Street Lights	2,400,000	4,230,308	6,630,308	228,133	
2% Youth - Police & Recreation	252,900		252,900	76,903	Clubhouse was closed due to COVID-19
8% Maintenance & Emerging Needs					
Building Maintenance	670,000	1,375,087	2,045,087	647,042	Re-roof city facilities-\$56K in POs rolled to 20/21
Emerging Needs	257,100		257,100	-	
State Sales Tax Fees	268,700		268,700	219,237	
Total Expenditures	13,909,000	13,410,891	27,319,891	10,759,393	
Surplus/(Shortfall)	(2,201,000)	(13,410,891)	(15,611,891)	6,352,811	
Beginning Cash	22,003,792	-	22,003,792	22,003,792	
Transfer to Uncertainty Fund	(158,130)	-	(158,130)	(158,130)	
Ending Cash Balance	19,960,922	-	6,550,031	28,514,733	
Uncertainty Fund Balance (current policy)				1,158,880	
Required Uncertainty Fund (10%)				1,158,880	

Current and Future Projects:

Project Name	Roll Amount
Crack Seal - Measure N	199,298
Shirk Widening over Mill Creek	171,290
Downtown Street Lights	6,402,174
Fire Station 56 Relocation	3,234,768
Station 51 Facility	400,000
Caldwell Improvements-Akers/Shady	3,495,487
Measure N Police Vehicles	185,118
Fire Squad Vehicle	104,215
Purchase 7 Marked Patrol Vehicles	114,553
Measure N Building Maintenance	1,398,046
TOTAL \$	15,704,947

Future Additional Funding

Fire Station 56 Relocation

Fire Station 51 Relocation

Phase 2 Paramedics Including Vehicles & Equipment

Measure N Audit 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, 2021.

Action Tonight

No formal action is required. Just review and accept report.

Questions?





City of Visalia

City Council Chambers
707 W. Acequia Ave.
Visalia, CA

Staff Report

File #: 21-0659

Agenda Date: 1/18/2022

Agenda #: 4.

Agenda Item Wording:

Review of Annual Measure N Compliance Audit for fiscal year ending 6/30/21.

Deadline for Action: 1/18/2022

Submitting Department: Finance and Technology Services

Contact Name and Phone Number: Kari Williams 559-713-4298

Department Recommendation:

That the City Council accepts the Measure N Compliance Audit from M. Green and Company for the Fiscal Year ending June 30, 2021.

Background Discussion:

The City, as part of the voter approved Measure N sales tax override, must have an annual audit of the uses of Measure N funds. M. Green and Company has performed this audit and it is now being presented to Council.

This audit did not include financial management and accounting practices. It is only to ensure that Measure N funds are used in accordance with the Ballot Measure, Program Guidelines, and Expenditure Plan for the fiscal year ended June 30, 2021. The financial management and accounting practices are included in the City's annual Audit which is also being presented January 18, 2022.

This is a review of the audit and is not intended as a discussion of plan adjustments or other operational issues. Those adjustments should be considered as part of a separate discussion.

In November of 2016, the voters of Visalia passed a ½ cent Sales Tax Override, Measure N - The Visalia Essential City Services Measure. Sales Tax from Measure N will provide for essential city services such as police and fire, as well as maintenance of parks, trails, roads, and City facilities. As part of the measure, Council adopted an Accountability Ordinance (Ordinance 16-21) to establish accountability measures as outlined below:

Revenue Requirements:

- 10% of budgeted revenues must be deposited in a Measure N Uncertainty Fund. Money can only be accessed from this fund during a fiscal emergency;
- 10% of budgeted revenues must be deposited into the following categories:
 - 2% Youth Programs
 - 8% Maintenance and Emerging Needs

Expenditure Requirements:

- 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 and makes changes as requested;
- Comments and recommendation received by Sales Tax Oversight Board;
- Two Public Hearings are held at regular Council Meetings to consider expenditure plan.

Sales Tax Oversight Board:

Board will consist of 11 members that will serve two-year terms. Members may be reappointed to serve up to two additional two-year terms (total of 3 terms). Members are selected in the following manner:

- Each Council member shall select one member;
- The Citizens Advisory Committee (CAC) shall select two members;
- Visalia Economic Development Corporation shall select one member;
- Hispanic Chamber of Commerce of Tulare/Kings County or Visalia Chamber of Commerce shall select one member;
- Downtown Alliance that represents Property Based Improvement District or Downtown Merchants shall select one member;
- Home Builders Association or Board of Realtors shall select one member.

Annual Audit:

City shall provide an annual independent audit to account for the tax revenues received and expenditures to ensure consistency with the approved expenditure plan. This report is completing this requirement for fiscal year 2020/21.

Effectiveness Reviews:

The ballot measure ordinance requires an effectiveness review every 8 years from the operative date of the ordinance. The operative date is April 1, 2017, thus, the first review will occur on or before April 1, 2025. During the review, Council will hold a public hearing to review the progress of the Measure N plan and the continuing need for the sales tax measure. To continue the sales tax measure, 4/5ths of the City Council must affirm the tax.

FY 20/21 Financials (ACFR document pg. 32)

The approved FY 20/21 expenditure plan and actual expenditures are shown in Table I - Measure N Revenue & Expenditure Summary - FY 20/21. The table is a summary for the four Measure N Funds which are Essential Service, 2% Youth, 8% Maintenance & Emerging Needs, and the Economic Uncertainty Fund. Measure N sales tax revenue grew \$3 million (21%) over the prior year. This extremely high growth was due to the Federal stimulus money issued which allowed consumers to continue to spend as well as the reopening of establishments. Total expenditures for the fiscal year was \$10.8 million, which was lower than budget due to COVID 19 which resulted in the Club House to be closed and a Recreation Coordinator to be laid off. Lower than expected capital expenditures also contributed to the lower expenses as projects were rolled into the next fiscal year.

Table I - Measure N Revenue & Expenditure Summary - FY 20/21

	Measure N	
	Budget	Actual
REVENUES		
Sales Taxes	\$ 11,588,800	\$ 16,880,055
Interest Earnings & Miscellaneous	119,200	202,593
Grants - Police	-	29,556
Total Revenues	11,708,000	17,112,204
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General Government	(268,700)	(219,236)
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Net Change in Fund Balance	\$ 108,409	6,352,811
Fund Balance Beginning of Year		23,320,803
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* Included in the end of year fund balance is the Economic Uncertainty Fund of \$1,158,880 (10% of the annual budgetd sales tax revenue).

Amongst the four Funds, Measure N has a fund balance of \$29.7 million which includes the Economic Uncertainty Fund of \$1.2 million. The remaining \$28.5 million has \$15.7 million in committed capital projects that rolled into fiscal year 2021-22 leaving \$12.8 million available as shown in Table II - Measure N Fund Balance. It is important to have cash available in each category to be able to advance projects in the plan (if needed) and/or cover higher costs than what was outlined in the plan.

Table II - Measure N Fund Balance

	Beginning Fund Balance	20/21 Revenues	20/21 Expenditures	Ending Fund Balance	CIP Rolled into FY 21/22	Fund Balance Remaining
Essential Services	18,736,153	16,095,203	10,010,804	24,820,553	14,306,902	10,513,651
2 % Youth Programs	447,064	234,883	77,620	604,327		604,327
8% Maint & Emerging Needs	2,820,576	940,248	670,969	3,089,855	1,398,046	1,691,809
Measure N Operating Funds	22,003,793	17,270,334	10,759,393	28,514,734	15,704,948	12,809,786
Economic Uncertainty	1,317,010	(158,130)		1,158,880		1,158,880
Measure N Total	23,320,803	17,112,204	10,759,393	29,673,614	15,704,948	13,968,666

FY 20/21 Audit

As required by the Ordinance, the City engaged an auditor to attest that the City has used the money as required in the ballot measure. The outside audit review assures that these funds are handled properly, assisting City management in providing the highest level of accountability for Measure N funds.

The City hired M. Green and Company to perform the audit which is attached. The audit confirmed that the plan is being implemented and adjusted according to the ballot measure, program guidelines and expenditure plan.

The Measure N Compliance Audit was presented and accepted by the Measure N Oversight Committee on January 13, 2022.

Fiscal Impact:

None

Prior Council Action: June 15, 2020 Measure N Budget adoption.

Other: Click or tap here to enter text.

Alternatives: Click or tap here to enter text.

Recommended Motion (and Alternative Motions if expected):

Move to accept the 2020/21 Measure N audit from M. Green and Company.

Environmental Assessment Status: N/A

CEQA Review: N/A

Attachments: Measure N Compliance Audit.

CITY OF VISALIA
INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES
MEASURE N
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

M. GREEN AND COMPANY LLP
Certified Public Accountants

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M. GREEN AND COMPANY LLP

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

- REBECCA AGREDANO, CPA
- MARLA D. BORGES, CPA
- NICOLE A. CENTOFANTI, CPA
- BRENDA A. DADDINO, CPA
- JASON A. FRY, CPA, MSA
- ELAINE D. HOPPER, CPA, CFE
- R. IAN PARKER, CPA
- MARY L. QUILLIN, CPA
- GIUSEPPE SCALIA, CPA
- NATALIE H. SIEGEL, CPA
- ROSALIND WONG, CPA

- LARRY W. AYERS, CPA
- JAMES G. DWYER, CPA
- KEVIN M. GREEN, CPA
- GREG GROEN, CPA
- WM. KENT JENSEN, CPA
- KATHLEEN M. LAMPE, CPA
- LYNN M. LAMPE, CPA
- ALAN S. MOORE, CPA
- KENNETH B. NUNES, CPA
- KEITH M. SPRAGUE, CPA
- KENNETH W. WHITE, JR., CPA

- NORIKO A. AWBREY, CPA
- TYLER J. CODAY, CPA
- MANNY GONZALEZ, CPA
- JASMAN S. KHOSA, CPA
- KRYSTAL PARREIRA, CPA, MSA
- GINILU VANDERWALL, CPA
- KRISTI WEAVER, CPA

City Council
 City of Visalia and Measure N Sales Tax Oversight Board
 707 W. Acequia
 Visalia, CA 93291-6100

We have performed the procedures enumerated below with respect to the administration, financial management and accounting of the City of Visalia's (City) Visalia Essential City Services Sales Tax (Measure N) funds for the fiscal year ended June 30, 2021. The City's management is responsible for the City's administration, financial management and accounting for Measure N.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose, solely to assist the City and the independent Measure N Sales Tax Oversight Board in regards to Measure N. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs to fall users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

- (1) We obtained and reviewed the City's Measure N commitments as expressed in the Measure N ballot measure from the November 8, 2016 election, the Enabling Ordinance including accountability measures adopted by the City Council, the Board of Equalization Agreements for implementation and administration of additional sales tax, and the City Council approved initial expenditure plan, annual expenditure plan and any amendments, as applicable for the current fiscal year.

Findings: None

- (2) We identified and documented the following Measure N compliance provisions, as interpreted by the City Council adopted enabling ordinance and interim progress report reported to City staff:
 - a. Administrative procedures
 - b. Accounting control (including budgetary) procedures

Findings: None

- (3) We updated our understanding of the City's implementation of the material administrative compliance procedures.

Findings: None

- (4) We updated our understanding of the City's implementation of the material accounting control procedures and determined if the following were implemented or maintained:
- a. Establishment of an initial spending plan specifying the uses of the proceeds of the sales or use tax for the period between implementation of the sales and use tax and the end of the subsequent fiscal year; and,
 - b. Establishment of an annual expenditure plan, as part of adoption of an annual City General Fund budget, specifying the uses of the proceeds of the sales or use tax for the coming fiscal year prior to the expiration of the initial expenditure plan; and,
 - c. That any amendments to the initial expenditure plan and subsequent annual expenditure plan were made by resolution adopted by a majority of the Council following:
 - i. Submission for comment and recommendation to the Measure N Sales Tax Oversight Committee and
 - ii. Public hearing during at least two regularly scheduled and appropriately noticed meetings of the City Council; and,
 - d. That the initial expenditure plan, any subsequent annual expenditure plan and any amended expenditure plans were made publicly accessible at all times; and,
 - e. Establishment of a separate "Economic Uncertainty" fund within the Measure N fund(s) of 10% of the budgeted Measure N sales tax proceeds for the coming plan year; and,
 - f. Establishment of separate "Maintenance and Emerging Needs" funds within the Measure N fund(s) of (1) 8% of the budgeted Measure N sales tax proceeds for the coming plan year and (2) 2% of the budgeted Measure N sales tax proceeds which shall be used for youth programs; and,
 - g. That none of the Measure N sales tax proceeds were used to pay annual debt service requirements.

Finding:

The Measure calls for the establishment and funding of an Economic Uncertainty Fund in the amount of 10% of the annually budgeted revenues. The Measure N Economic Uncertainty Fund balance as of June 30, 2021, was \$1,158,880. The amount for the Measure N Economic Uncertainty Fund met the required 10%.

The Measure also calls for the establishment and funding of a Maintenance and Emerging Needs Fund in the amount of 10% of the annually budgeted revenues of which 2% of the budgeted revenues shall be used for youth programs. The Maintenance and Emerging Needs Fund and The Maintenance and Emerging Needs Fund - Youth Fund were both funded during the fiscal year June 30, 2021, with the amount of \$927,100 and \$231,800, respectively which met the required percentages.

- (5) We traced all Measure N monies remitted by the California Department of Tax and Fee Administration to determine whether they were properly deposited into the appropriate Measure N fund.

Findings: None

- (6) We performed procedures to verify the summaries of Measure N receipts, disbursements and unexpended funds pertaining to the fiscal year 2020-2021 as prepared by the City.

Findings:

Police

The Annual Measure N Plan calls for the hiring of 23 police officers and seven police professional staff during the current fiscal year. Our review indicated that 23 police officers and six police professional staff were hired in accordance with plan objectives. One of the 23 police officers hired resigned prior to June 30, 2021. Therefore one police officer position and one police professional staff position remained open as of June 30, 2021.

Fire

The Annual Measure N Plan calls for the hiring of six firemen (a Battalion Chief, Administrative Captain, EMS Coordinator and three Paramedics) during the current fiscal year. Our review indicated that six firemen were hired in accordance with plan objectives.

Parks and Recreation

The Annual Measure N Plan calls for the hiring of two parks and recreation maintenance employees, an urban forest employee and a recreation coordinator. Our review indicated that two parks and recreation maintenance employees and an urban forest employee were hired in accordance with the Annual Measure N Plan. Our review indicated that the recreation coordinator was transferred to another fund last fiscal year, due to the pandemic, and the position remained open as of June 30, 2021.

Maintenance and Emerging Needs (Including Youth)

The Measure N Plan for Youth implemented a Clubhouse Networking program in fiscal year 2018-2019 and was shut down in fiscal year 2019-2020 due to COVID -19 restrictions. These restrictions continued through fiscal year 2020-2021 causing the Clubhouse to remain closed. Measure N funded staffing for this program and due to the pandemic, no salaries were charged to the Measure N Fund in the current fiscal year. However, unemployment wages were charged to the Measure N Fund in the current year.

Findings:

We found that the Capital Improvement Program expenditures are generally proceeding in accordance with the Annual Measure N Plan. Measure N Funds include a capital project roll-over policy consistent with all City projects and funds where projects approved and possibly started but not completed in one fiscal year may roll-over into the next fiscal year until completed.

Fire

The Capital Improvement Program expenditures for refurbishment of Station 51 has been delayed due to the advancement of relocating Fire Station 56 within the Annual Measure N Plan. Land was purchased during the 2018-2019 fiscal year and the project is in the design phase. Management anticipates the project to be completed in fiscal year 2022-2023.

The Annual Measure N Plan also calls for the purchase of a squad vehicle and a supervisor vehicle during the previous fiscal year. A squad vehicle was purchased as of June 30, 2020, in accordance with the Measure N Plan. However, there were some remaining project costs that were incurred during the current fiscal year. Our review indicated that the supervisor vehicle had been purchased as of June 30, 2021.

Police

As of June 30, 2021, 18 police officer vehicles and two police professional staff vehicles had been purchased. The Measure N Plan called for the purchase of three additional police officer vehicles and one police professional staff member during the fiscal year 2019-2020 and an additional two police officer vehicles in the current fiscal year 2020-2021. We noted that the purchase of five police officer vehicles had been approved during the current fiscal year and then later delayed due to the pandemic. Additional delays continue due to the current shortage of vehicles. There is currently a purchase order for three vehicles, issued in March 2021, which the City is awaiting to receive. The remaining two vehicles will be purchased in the future as vehicles become available. The department has also determined the purchase of a vehicle for the one police professional staff member hired is not needed at this time as the position filled did not require the use of a vehicle. The professional staff member positions filled each fiscal year vary based on the needs of the department as allowed in the Measure N Plan.

Roads

Various street maintenance projects have been completed in fiscal year 2020-2021 in accordance with the Measure N Plan. \$3,425,597 had been expended during the fiscal year ended June 30, 2021.

Parks and Recreation

No Capital Improvement Program expenditure amounts had been included in the Annual Measure N Plan or expended as of June 30, 2021.

Other

The Annual Measure N Plan calls for a Downtown Street Light System. This project is still in the design phase. Management anticipates the project to be completed in fiscal year 2022-2023.

Maintenance and Emerging Needs

Various building maintenance projects have been completed in accordance with the Measure N plan of which, \$647,042 had been expended during the fiscal year ended June 30, 2021.

Maintenance and Emerging Needs – Youth

No Capital Improvement Program expenditure amounts had been included in the Annual Measure N Plan or expended as of June 30, 2021.

(7) We conducted an exit interview with City staff representatives.

Findings: None

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on administration, financial management and accounting. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City's management and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council, City management and the Measure N Sales Tax Oversight Board and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

Very truly yours,



M. GREEN AND COMPANY LLP
Certified Public Accountants

December 13, 2021
Visalia, California

SQUAD PROGRAM – PHASE 2

February 24, 2022

Dan Griswold, Fire Chief

Ryan Munger, EMS Coordinator

PROGRAM HISTORY

- The Squad Program is a Measure N adopted program.
- Measure N in the City of Visalia's half-cent Essential Services Measure approved in November 2016 with a 65% of the voters' support.
- Through the Measure N Oversight Committee and by the adoption of Council, Measure N priorities were established and a 10-year plan for projects planned to meet the priorities was developed.
- Phase 1 of the Squad Program was approved in July 2019 was completed through the purchase of Squad 51, the hire of EMS Coordinator Ryan Munger, the hire of three single-role paramedics.
- Squad 51 began operation on June 7, 2021.

SQUAD 51 RESPONSE DATA

- From June 1, 2021 through December 31, 2021
 - Total Fire Department EMS/Rescue incidents: 5,004
 - EMS/Rescue responses by Squad 51: 897 of the total.
 - 18% of EMS/Rescue incidents serviced by Squad 51.
- From June 2, 2021 through October 31, 2021
 - Total miles drive *to* EMS/Rescue incidents: 3,296
 - Total miles driven by Squad 51 on EMS/Rescue incidents: 477
 - 12.5% of the total miles driven to EMS/Rescue incidents were driven by Squad 51.

PHASE 2 PROPOSAL –STAFFING/SCHEDULE

- Three, 40 hour/week single-role paramedic positions
 - Fire Department incident analysis indicates the period of peak call volume is 8:00 am and 8:00 pm and Monday through Friday has a higher proportional call volume than Saturday and Sunday.
 - The proposed staffing is the same level as Squad 51 which normally allows for squad coverage Monday through Saturday, ten-hours a day.
 - Phase 2 staffing would allow for a second squad in service Monday through Friday and would add Sunday coverage.
 - Staffing squads during periods of peak call volumes facilitates efficient response and enhanced coverage when the system is more stressed.
 - Continue to incorporate squad coverage for special events/dates as appropriate.

PEAK CALL VOLUME DATA REPRESENTATION



SQUAD VEHICLE

- Comparable vehicle to Squad 51, 2019 Ford Expedition.
- Benefits
- Drawbacks



PHASE 2 BUDGET

	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Fire Response Squad	Actuals	Actuals	Projection	Projection	Projection	Projection
Phase 1						
Squad Vehicle	\$ 106,000					
Supervisor Vehicle	\$ 50,000					
3 Single Role Paramedics		\$ 249,200	\$ 270,000	\$ 294,300	\$ 320,800	\$ 333,600
Supervisor - EMS Coordinator		\$ 141,100	\$ 158,000	\$ 172,200	\$ 187,700	\$ 195,200
Operating Expenses		\$ 82,600	\$ 86,700	\$ 91,000	\$ 95,600	\$ 100,400
Vehicle Replacement	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500
Phase 1 Total	\$ 170,500	\$ 487,400	\$ 529,200	\$ 572,000	\$ 618,600	\$ 643,700
Phase 2 Total						
Squad Vehicle + Equip (lights, radios, striping, equip)			\$ 120,000			
3 Addtl Single Role Paramedics			\$ 67,500	\$ 294,300	\$ 320,800	\$ 333,600
Operating Expenses			\$ 15,000	\$ 100,000	\$ 105,000	\$ 110,300
Vehicle Replacement				\$ 12,000	\$ 12,000	\$ 12,000
Phase 2 Total			\$ 202,500	\$ 406,300	\$ 437,800	\$ 455,900
Phase 1 & 2 Total	\$ 170,500	\$ 487,400	\$ 731,700	\$ 978,300	\$ 1,056,400	\$ 1,099,600

Thank you.

Questions?

		21/22	22/23	23/24	24/25	25/26	
	20/21 Actual	Projection	Projection	Projection	Projection	Projection	
Total Measure N Sales Tax	16,880,100	17,048,900	17,219,400	17,391,600	17,565,500	17,741,200	1% growth 22/33 -25/26
<u>Essential Services</u>							
Beginning Cash	13,122,200	19,492,443	5,639,663	6,715,553	1,708,773	5,560,233	
Revenue							
90% of Sales Tax Budget	15,192,090	15,344,010	15,497,460	15,652,440	15,808,950	15,967,080	
Interest	903,113	109,000	56,400	67,200	17,100	55,600	
Total Revenue	16,095,203	15,453,010	15,553,860	15,719,640	15,826,050	16,022,680	
Expenditures							
Police							
Salary and Benefits	3,562,586	3,743,400	4,066,700	4,319,700	4,668,300	5,032,300	
Operating Expenditures	535,400	464,700	474,000	483,500	493,200	503,100	
Capital - Vehicles	-	355,000	57,000	58,000	59,000	60,000	
Capital - Body Cameras	180,300	185,000	190,000	201,000	204,000	207,000	
Fire							
Salary and Benefits	769,324	914,400	1,074,800	1,118,300	1,151,800	1,186,400	1 BC, 1 captain, EMS Coord, 3 Paramedics
Phase 2 Squad		202,500	406,300	437,800	455,900	469,600	3 Paramedics
Operating Expenditures	209,450	250,000	255,000	260,100	265,300	270,600	
Capital		8,000,000	3,000,000	9,000,000	-	-	
Streets Capital	3,425,600	8,000,000	3,600,000	4,000,000	3,800,000	4,000,000	
Parks and Recreation							
Salary and Benefits	252,970	280,900	285,500	294,100	302,900	312,000	2 Park Maint, 1 Urban Forest, 1 Rec Cord
Operating Expenditures	183,800	268,300	280,300	292,700	305,500	318,700	
Downtown Street Lights	228,200	6,400,000					
State Sales Tax Fees, Audits, Accounting	219,200	230,000	236,900	244,000	251,300	258,800	
Total Expenditures	9,566,830	29,294,200	13,926,500	20,709,200	11,957,200	12,618,500	
Transfer to Uncertainty Fund	158,130	11,590	551,470	17,220	17,390	17,570	
Ending Cash	19,492,443	5,639,663	6,715,553	1,708,773	5,560,233	8,946,843	



City of Visalia

City Council Chambers
707 W. Acequia Ave.
Visalia, CA

Staff Report

File #: 22-0028

Agenda Date: 2/7/2022

Agenda #: 3.

Agenda Item Wording:

Discussion and potential action regarding the implementation of Phase 2 of the Fire Department's Measure N Squad Program.

Deadline for Action: 2/7/2022

Submitting Department: Fire Department

Contact Name and Phone Number: Dan Griswold, 559-713-4220

Department Recommendation:

Staff recommends Council discuss and initiate the process of implementing Phase 2 of the Fire Department's Measure N Squad Program which includes paramedic staffing and vehicle.

Background Discussion:

Measure N was approved by the voters in November 2016. The measure is a ½ cent Sales Tax Override that provides for essential city services such as police, fire, recreation, parks, and roads. The measure uses a detailed 10-year plan which includes hiring of personnel, funding capital projects, and equipment purchases. The plan also included the development and implementation of a single-role paramedic squad program, operated by the Fire Department, as a means of enhancing the level of service to the Citizens of Visalia. The vehicles and staffing were to be implemented in two phases: Squad 1 in FY 18/19 and Squad 2 in FY 22/23.

Phase 1 of the Squad Program was completed when the City of Visalia purchased Squad 51, hired EMS Coordinator Ryan Munger, hired three single-role paramedics, and began operation on June 7, 2021. From June 1, 2021 through December 31, 2021, there were a total of 5,004 EMS/Rescue incidents. Of these incidents, Squad 51 responded to 897; 18% of the total EMS/Rescue incidents.

Where the value of providing an enhanced service and adding redundancy to the operation during critical incidents and events is somewhat difficult to quantify, Fire Administration, with the help of GIS, can track some metrics that begin to reveal some cost-offsetting features of the program. Using data pulled from the departments apparatus GPS tracking, GIS was able to determine that 3,296 miles were driven by all fire apparatus responding to medical calls for service from June 1, 2021 through October 31, 2021 (five months). Of these miles, 477 miles, or about 12.5% of the total miles, were by Squad 51. It is important to note that the actual miles saved on fire apparatus is greater than what is cited above because the miles reported are only those miles driven en route to an incident and do not include miles driven, and saved, after a call is completed and the unit returns to the station or

destination. In the absence of Squad 51, these additional miles would have likely been traveled by fire apparatus were the cost of maintenance/mile is greater. With the addition of the second squad, it is reasonable to presume a similar number of miles saved on fire engines and trucks.

Fire Administration is now proposing Phase 2 of the squad program to fulfill the Measure N program goals and objectives. In summary, Phase 2 adds:

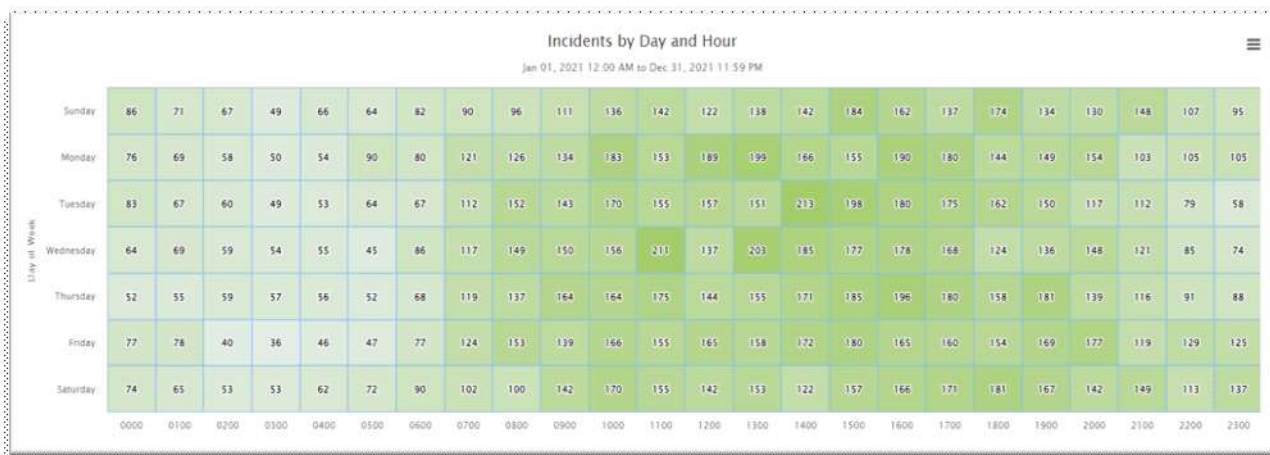
1. Three, 40 hour/week paramedic positions for the second squad.
2. One squad vehicle.

Staffing and Schedule:

Fire Department Administration proposes staffing the program's second squad with three, single-role paramedics. This is the same staffing level as the current squad. This staffing level and model allows for Squad 51 to normally be in service Monday through Saturday, ten hours a day. Staffing the second squad with the same staffing level, would allow for a second squad Monday through Friday and for squad coverage on Sunday. When fully staffed, the squad program would provide squad support to the Department's operation with two squads in service Monday through Friday and one squad in service on Saturday and Sunday.

Below is a visual representation of total fire department responses from April 1, 2021 through December 31, 2021. The chart has the information broken out by day of the week and hour of the day. Additionally, call volume is indicated by the shade of green with the darker the shade indicating periods of higher call volume. Using this information, Fire Administration has determined that the period of peak call volume is between 8:00 am and 8:00 pm daily and Monday through Friday has a higher call volume proportionately throughout the day than Saturday and Sunday.

This analysis supports the proposed squad coverage of having two squads in service during the peak time of each day during the week and moving to one squad in service on the weekend. Staffing the squad units during periods of peak call volume facilitates efficient response to incidents during the time when the system is more stressed. The other recognized value of the squads has been their availability to provide coverage and service during large scale incidents that require multiple fire resources and during other fire related trainings, inspections, public education events, etc. Battalion chiefs are using the Squad 51 to provide medical aid coverage to the areas of the City impacted by such incidents or activities. The squad units will also continue to be used during special events and details like the 4th of July and the Candy Cane Lane parade.



Staff is recommending the above staffing to establish the Measure N project objective of implementing two squad units with single-role paramedics. Fire Administration is expecting recruitment for Squad paramedics to be challenging given the challenge had during the Squad 51 recruitment and challenges paramedic agencies in the Central Valley and Statewide are having. If this is the case, Fire Administration recognizes the need to be flexible with the schedule as we add paramedics and fill expected vacancies. Where scheduling may need to be flexible, Fire Administration will continue to prioritize the periods of the days and week where squads can add the most value to the service to the community.

Squad Vehicle

This proposal includes the addition of the second squad vehicle. Fire Administration is recommending a vehicle comparable to the current Squad 51. Squad 51 is a 2019 Ford Expedition outfitted with emergency lighting, radios, and necessary emergency medical equipment. Except for a few weaknesses, the vehicle has proven effective. Other drivers not consistently seeing and identifying the squad as an emergency vehicle is the primary issue identified with the current squad vehicle. The vehicle is equipped with standard emergency lighting and sirens, and we have added some enhanced siren technology and traffic signal pre-emption controls to the unit to operate in traffic more safely. Securing and storing the necessary equipment has been the other inefficiency with the current unit. It is important to have equipment secured in the vehicle and to also have it easily accessed and readily available. Fire Administration will look to modifying the storage area and systems of the current squad to improve equipment storage in the second squad.

Recommendation

Staff recommends starting the process to amend the Measure N budget to hire 3 additional paramedics and to purchase the second squad vehicle.

To amend the Measure N budget the following actions are necessary:

- City Manager makes a recommendation to City Council and makes changes as requested

during the Council approval process.

- Comments and recommendation received by Measure N Oversight Committee.
- Two public Hearings are held at regular Council Meetings to consider recommendation to amend expenditure plan (tonight is the second public hearing)

If approved, staff will schedule a meeting with the Measure N Oversight Committee.

Fiscal Impact:

Measure N sales tax is broken into 4 different components that are tracked separately: Essential Services, 2% Youth Programs, 8% Emerging Needs & Building Maintenance, and Economic Uncertainty Fund. Each category is tracked in its own fund so the cash is never comingled. The Essential Services category is 90% of the sales tax collected and funds majority of the plan, including the Measure N Squad program. The estimated on-going cost for Phase 1 and Phase 2 is listed below:

Fire Response Squad	FY 19/20 Actuals	FY 20/21 Actuals	FY 21/22 Projection	FY 22/23 Projection	FY 23/24 Projection	FY 24/25 Projection
Phase 1						
Squad Vehicle	\$106,000					
Supervisor Vehicle	\$ 50,000					
3 Single Role Paramedics		\$ 249,200	\$ 270,000	\$ 294,300	\$ 320,800	\$ 333,600
Supervisor - EMS Coordinator		\$ 141,100	\$ 158,000	\$ 172,200	\$ 187,700	\$ 195,200
Operating Expenses		\$ 82,600	\$ 86,700	\$ 91,000	\$ 95,600	\$ 100,400
Vehicle Replacement	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500
Phase 1 Total	\$170,500	\$ 487,400	\$ 529,200	\$ 572,000	\$ 618,600	\$ 643,700
Phase 2 Total						
Squad Vehicle + Equip (lights, radios, striping, equip)			\$ 120,000			
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Vehicle Replacement				\$ 12,000	\$ 12,000	\$ 12,000
Phase 2 Total			\$ 202,500	\$ 406,300	\$ 437,800	\$ 455,900
Phase 1 & 2 Total	\$170,500	\$ 487,400	\$ 731,700	\$ 978,300	\$1,056,400	\$1,099,600

As mentioned earlier, both phases were part of the original plan. Measure N revenues continue to be higher than the original plan which as allowed for the plan to be advanced when needed. Attached is a revenue and expense projection for the Measure N Essential Fund.

Prior Council Action: April 15, 2019 City Council Meeting, Fire proposed an original version for

Phase 1 and Phase 2 of the Measure N Squad Program. On July 15, 2019, City Council approved the implementation of Phase I plan that included requested modifications from the Measure N Oversight Committee.

Other: N/A

Alternatives: Provide comments for Fire Administration to consider, research, and return to Council with additional information and/or a modified proposal.

Recommended Motion (and Alternative Motions if expected):

I move to accept the proposed plan for Phase 2 of the Fire Department's Measure N Squad Program and for staff to seek comments and a recommendation from the Measure N Oversight Committee.

Environmental Assessment Status: N/A

CEQA Review: N/A

Attachments: Squad Phase 2 Presentation



City of Visalia

City Council Chambers
707 W. Acequia Ave.
Visalia, CA

Staff Report

File #: 21-0664

Agenda Date: 12/20/2021

Agenda #: 5.

Agenda Item Wording:

Authorize staff to start the process to redirect \$75,000 from Measure N Youth Grants to the Visalia Police Activities League (PAL) for operating expenditures and youth activities at the Wittman Center for at-risk Visalia Youth.

Deadline for Action: 12/20/2021

Submitting Department: Police Department

Contact Name and Phone Number: Chief Jason Salazar, ext. 4215, jason.salazar@visalia.city <<mailto:jason.salazar@visalia.city>> ; Captain Luma Fahoum, ext. 4103, luma.fahoum@visalia.city <<mailto:luma.fahoum@visalia.city>> ; Financial Analyst Liz Ybarra, ext.4250, liz.ybarra@visalia.city <<mailto:liz.ybarra@visalia.city>>

Department Recommendation:

Authorize staff to start the process to redirect \$75,000 from Measure N Youth Grants to the Visalia Police Activities League (VPAL) for operating expenditures and youth activities at the Wittman Center for at-risk Visalia Youth.

Summary:

The Visalia Police Activities League (VPAL) was established in 1992 and was created to meet a need within the community to serve at-risk youth. Since the inception of VPAL, it has successfully provided programs and activities for kids from the ages of seven (7) to 17 to foster a bond with mutual trust and understanding between police officers and youth interaction in non-confrontational settings. Prior to COVID, VPAL served over 3,500 children, annually, that were involved in the many VPAL programs and activities.

In June 2021, the City of Visalia and VPAL signed an Operations and Management Agreement when the City agreed to move VPAL operations to the Wittman Village Community Center located at 315 Pearl Street. The agreement is for one (1) year, with four (4) one-year extensions, to be effective June 7, 2021 and ending on June 30, 2022. This agreement and the move to the Wittman Center will enable VPAL to continue to provide high quality recreational and educational youth and community programs consistent with the purposes and mission of VPAL and the City. The City also agreed to appropriate \$50,000, for each year of the agreement, to be applied towards operations and facility maintenance.

Because of the success of VPAL in connecting with services and programs for at-risk youth, staff is recommending that Measure N Youth Grant Funds of \$75,000 be reallocated to the Visalia Police Activities League. The Measure N funding of \$75,000 will ensure that more consistent funding is available since it is not tied to the General Fund, of as depending on fund raising by the VPAL 501(c) 3 which provides programs such as the annual PAL Honor Camp, PAL Leadership Program and PAL

Boxing Program.

The Measure N funding proposal would support and expand the following programs offered by VPAL: PAL Honor Camp, Boxing Program and allow VPAL to host PAL Boxing events locally, Youth Leadership programs, expand the coat giveaway, and expand operations of the VPAL Bike Shop.

The Measure N Youth Grants are not codified as language within Measure N, they were a project submitted by staff in an attempt to find constructive means to utilize the funding within Measure N that is required to be used towards at-risk youth programs. How those funds are expended are at the discretion of the Council and the Measure N Oversight Committee. Staff has determined that the Measure N Youth Grants have not been as successful and impactful towards reaching at-risk youth as was the intent of the Measure N youth funding and that the Visalia Police Department is not well-situated to manage these types of grants. It is staff's recommendation that those funds be re-directed from the Measure N Youth Grants to the Visalia PAL Program, which has a long history of providing services to at-risk youth in Visalia and provides for better oversight of these Measure N funds. This change would have no impact on the existing Citizen Advisory Committee non-profit grants awarded annually to various organizations in the City of Visalia.

Through the past three (3) years of offering the Measure N Youth Grants, staff has found that there are typically 5-8 submissions made each year requesting funding from these sources in varying amounts, with the largest allotment having been to PAL in prior years based on submissions. Some of those applications were not specifically focused on at-risk youth in Visalia as required by Measure N language and therefore not eligible for funding. Additionally, these grant allotments are limited in size based on the available funding and being split between different groups, which results in submissions and awards that are smaller in nature and not able to fund ongoing operations or long-term programs. The Measure N Youth Grants have also been confused in past years with the Citizens Advisory Committee non-profit grants that are provided annually, and usually share similar applicants.

Background Discussion:

The Visalia's Police Activities League (VPAL) organization is comprised of a nine (9) member Board of Directors. A Visalia Police Officer is dedicated and assigned to VPAL with no paid staff. All donations and grants go directly to the programs and services for the youth.

The Measure N ½ cent sales tax was approved by the voters in 2016, which raises approximately \$10.8 million annually with the spending plan being submitted to Council and The Measure N Board for review and approval. The Measure N plan allocates 10% for Maintenance and Emerging Needs and 2% of that is allocated for youth programs. The Police Department has been allocated \$75,000 annually since 2018 to award grants to local non-profit youth group organizations with funding to assist the organization with their youth programs.

Since January 2018, the Police Department has awarded a total of \$300,000 to 501 (c) 3 non-profit agencies for programs and services for people under the age of 18 in the City of Visalia. The focus of the funds is to specifically target at-risk youth with programs that focus on assisting youth envision their future, setting goals and achieving those goals, encourage and facilitate parental involvement, instill basic moral, ethical and social behaviors and programs that challenge youth mentally physically

and constructively through technical and sports activities. Agencies such as Boys and Girls Club of Tulare County, Arts Visalia, Turning Point, Visalia Police Activities League, and Visalia Education Foundation are some of the recipients of the Visalia Youth Grant. The grant is publicly solicited, and each agency is required to submit a grant application and a proposal for their program. The Executive Committee reviews the application and awards the Grant funding according to the needs of the Community with final approval going to City Council.

If the reallocation of the \$75,000 is approved, the necessary steps for changes to the Measure N Plan are:

- City Manager makes a recommendation to City Council and makes changes as requested;
- Comments and recommendation received by Sales Tax Oversight Board;
- Two public Hearings are held at regular Council Meetings to consider expenditure plan.

Fiscal Impact:

Make the necessary budget adjustments to Measure N and Wittman Center operating budget after the necessary steps are completed to change the Measure N Plan.

Prior Council Action: On 12/19/2016 Council awarded \$75,000 from Measure N Maintenance and Emerging Needs (MEN) funds to the Police Department for programs that address youth gang issues. The funding was effective on 7/1/2017 and has been funded annually through FY 2021/22.

Other: N/A

Alternatives: N/A

Recommended Motion (and Alternative Motions if expected):

Authorize staff to start the process to redirect \$75,000 from Measure N Youth Grants to the Visalia Police Activities League (PAL) for operating expenditures and youth activities at the Wittman center for at-risk Visalia Youth.

Environmental Assessment Status: N/A

CEQA Review: N/A

Attachments: N/A