



## **STAFF REPORT TO THE FINANCE COMMISSION**

**DATE:** Regular Meeting of September 17, 2025

**TO:** Members of the Finance Commission

**SUBMITTED BY:** Edwin Gato, Director of Finance

**SUBJECT:** FY 2024-25 Measure B and N quarterly report on revenues collected as of June 30, 2025

### **RECOMMENDED ACTION**

Receive the quarterly report on FY 2024-25 Measure B and N for revenues collected as of June 30, 2025.

### **BACKGROUND**

#### **Measure B – Additional ½ cents Sales and Use Tax Revenues**

On November 3, 2015, voters approved Measure B, which allows the City to continue its local 0.5 percent sales tax indefinitely. This tax was originally established by voters in June 2012 under Measure O. With the passage of Measure B, the total sales tax rate for the City remains at 9 percent, which consists of a 7.5 percent state-mandated tax, a 1 percent county tax, and the City's 0.5 percent tax. Additionally, Measure B was designated as a general sales tax, meaning the revenue generated can be utilized for various government purposes.

#### **Measure N – Utility Users Tax Rate (UUT) Revenues**

On November 8, 2022, voters approved Measure N, a significant decision that enables the City to maintain its Utility Users Tax (UUT) at a rate of 8% indefinitely. This tax is applicable to various utility services and is intended to generate crucial revenue for the City's general fund. The UUT represents approximately 20% of the total General Fund revenue. These funds are essential for supporting a diverse array of government services and initiatives, thereby ensuring the community's needs are addressed and contributing to the overall welfare of the City.

## **DISCUSSION**

The Finance Commission has requested that staff provide quarterly updates on revenue collections for Measures B and N. As of June 30, 2025, the City has successfully generated \$2.1 million in revenue from Measure B, which represents an increase of approximately 3% over the projected budget for this measure. Similarly, \$4.2 million has been collected from Measure N, exceeding its allocated budget by 5%. Overall, the revenue collected for both Measures B and N has surpassed budget expectations, indicating a positive performance in revenue generation for this fiscal year.

## **FISCAL IMPACT OF RECOMMENDATION**

Accepting this report will not have any financial implications. Nonetheless, the proposed utilization of the revenue generated by these measures is consistent with the established provisions outlined in the measures.

## **ATTACHMENT**

Attachment 1 – Measure B and N Year-to-date Quarterly Revenue Report through 06/30/2025