

**TOWN OF YUCCA VALLEY
REVENUE MEASURE OVERSIGHT COMMISSION
MEETING**



**The Mission of the Town of Yucca Valley is to
provide a government that is responsive to its citizens
to ensure a safe and secure environment
while maintaining the highest quality of life.**

**REVENUE MEASURE OVERSIGHT COMMISSION: 5:30 PM
MONDAY, APRIL 6, 2026**

Yucca Valley Community Center - Yucca Room
57090 Twentynine Palms Hwy
Yucca Valley, Ca 92284

Join Zoom Meeting

<https://zoom.us/j/99724732671?pwd=4MLmJzp7rMxeCnU3qYgxSG9pNbf2Lc.1>

Meeting ID: 997 2473 2671

Passcode: 385676

Use the above link to virtually access the meeting. You will automatically be muted upon entry. During the meeting, participants will be prompted to “raise hand” or inform the meeting moderator when wishing to make a public comment. Comment time is limited to 3 minutes or as instructed by the Mayor/Chair. If any technical difficulties occur resulting in lack of connectivity or virtual streaming, the in-person meeting will continue to proceed.

* * * *

Revenue Measure Oversight Commission

Lori Herbel, Chair

Joel Camp, Commissioner

Beth Damis, Commissioner

Tyler Fowlkes, Commissioner

Eric Linnert, Commissioner

Jerôme Manné, Commissioner

Tracy Tremblay, Commissioner

* * * *

TOWN ADMINISTRATIVE OFFICE:

760-369-7207

Public Comments: townclerk@yucca-valley.org

www.yucca-valley.org

AGENDA
MEETING OF THE REVENUE MEASURE OVERSIGHT COMMISSION
MONDAY, APRIL 6, 2026, 5:30 PM

The Town of Yucca Valley complies with the Americans with Disabilities Act of 1990. If you require special assistance to attend or participate in this meeting, please call the Town Clerk's Office at (760) 369-7209 at least 48 hours prior to the meeting

The meeting agenda packet is available for public view in the Town Hall lobby and on the Town's website at www.yucca-valley.org prior to the meeting. For more information on an agenda item or the agenda process, please contact the Town Clerk's office at (760) 369-7209 ext. 226.

If you wish to comment on any agenda item or on any subject not on the agenda during public comments, please fill out a request to speak card and give to the Town Clerk/Commission Secretary. Comment time is limited to 3 minutes.

Where appropriate or deemed necessary, action may be taken on any item listed in the agenda.

OPENING CEREMONIES:

Opening Ceremonies

1. Administration of Oath of Offices - Beth Damis & Eric Linnert
2. Selection of Commission Vice Chair — Nominate and Elect Vice Chair

Recommendation:

That the Revenue Measure Oversight Commission move to appoint the selected Commissioner to serve as the Vice Chair of the Revenue Measure Oversight Commission.

Call to Order

Roll Call

Commissioners Camp, Damis, Fowlkes, Linnert, Manné, Tremblay, and Chair Herbel

Pledge of Allegiance

Approval of Agenda

Department Reports

3. FY 2026-28 Measure Y & Z Proposed Budget

Recommendation:

That the Oversight Commission:

1. Review the proposed FY2026-28 Measure Y & Z Budgets with input as desired, and forward a recommendation for approval to the Town Council.
4. Measure Y and Measure Z Annual Financial Reports

Recommendation:

That the Oversight Commission receive and file the Measure Y and Measure Z

annual financial reports, Agreed Upon Procedures reports, and the Measure Y project highlights and report.

Public Comments

The Revenue Measure Oversight Commission takes this time to consider your comments on items of concern which are not on the agenda. When you are called to speak, please state your name and community of residence. Please limit your comments to 3 minutes or less.

Inappropriate behavior which disrupts, disturbs, or otherwise impedes the orderly conduct of the meeting will result in forfeiture of your public comment privileges. The Revenue Measure Oversight Commission is prohibited by State law from taking action or discussing items not on the printed agenda.

Staff Reports and Comments

Commissioner Reports and Comments

Adjournment

**Town of Yucca Valley
Revenue Measure Oversight Commission Staff Report**



To: Revenue Measure Oversight Commission

From:

Date: April 2, 2026

Meeting Date: April 6, 2026

Subject: Selection of Commission Vice Chair — Nominate and Elect Vice Chair

Recommendation:

That the Revenue Measure Oversight Commission move to appoint the selected Commissioner to serve as the Vice Chair of the Revenue Measure Oversight Commission.

Prior Review:

The vice-chair position had been vacated when Mr. Huntington resigned from the role and was not subsequently filled.

Discussion:

The Revenue Measure Oversight Commission was established by Ordinance 265 to review and make recommendations to the Town Council regarding the use of funds generated by Measure Y and Measure Z. The Commission, at its organization meeting and as needed thereafter, shall elect from its membership a Chair and Vice-Chair. The vice-chair position had been vacated when Mr. Huntington resigned from the role and was not subsequently filled. The Chair and Vice-Chair are expected to perform the duties commonly associated with their respective titles, in accordance with the Town's Manual of Procedural Guidelines.

Alternatives

None.

Fiscal Impact:

None.

Attachments

1. Ord. 265

ORDINANCE NO 265

**AN ORDINANCE OF THE TOWN OF YUCCA VALLEY, CALIFORNIA ADDING
CHAPTER 4.14 TO THE YUCCA VALLEY MUNICIPAL CODE, RELATING TO THE
ESTABLISHMENT OF THE REVENUE MEASURE OVERSIGHT COMMISSION**

Town Attorney's Summary

This ordinance establishes a seven (7)-member Revenue Measure Oversight Commission appointed by the Town Council to review and make recommendations to the Town Council on the use of funds generated by the implementation of Measure "Y", a temporary 0.5% general transactions and use tax for town essential services, and Measure "Z", a temporary 0.5% special transactions and use tax for sewer assessment reduction.

The Council of the Town of Yucca Valley finds:

- A. Pursuant to Article XIIC of the Constitution of the State of California, the Town Council ordered Measure "Y" to be submitted to the qualified electors of the Town at the November 8, 2016 General Municipal Election on whether to approve a ½ cent (0.5%) transactions and use tax for a period of ten (10) years.
- B. Pursuant to Article XIIC of the Constitution of the State of California, the Town Council ordered Measure "Z" to be submitted to the qualified electors of the Town at the November 8, 2016 General Municipal Election on whether to approve a ½ cent (0.5%) transactions and use tax for a period of ten (10) years.
- C. Measure "Y" was approved by the Town's qualified electors, where the Town Council desires that a commission of the Town provide oversight of the use of the proceeds generated from the tax.
- D. Measure "Z" was approved by the Town's qualified electors, where the Town Council desires that a commission of the Town provide oversight of the use of the proceeds generated from the tax.

The Council of the Town of Yucca Valley ordains:

CHAPTER 4.14

REVENUE MEASURE OVERSIGHT COMMISSION

SECTION:

- 4.14.010: Creation
- 4.14.020: Term; Vacancies; Vote
- 4.14.030: Officers
- 4.14.040: Membership
- 4.14.050: Meetings; Rules of Procedure
- 4.14.060: Powers and Duties of the Commission

4.14.010 REVENUE MEASURE COMMISSION CREATED:

There is created a Revenue Measure Oversight Commission consisting of seven (7) members, appointed by the Town Council to serve at the pleasure of the Town Council.

4.14.020 TERM; VACANCIES; VOTE

- A. Members of the Commission shall serve the term provided by the Town's Manual of Procedural Guidelines, except that in order to ensure a stagger of appointees, the initial appointments shall be for staggered terms as determined by the Town Clerk.
- B. A vacancy in the Commission shall not impair the right of the remaining members to exercise the powers of the Commission pursuant to this chapter. Four (4) members shall constitute a quorum of the Commission and any ruling, decision or other action of the Commission may be taken by a majority of those members present, provided a quorum is present.

4.14.030 OFFICERS

The Commission, at its organization meeting and as needed thereafter, shall elect from its membership a chair and vice-chair. The chair and vice-chair shall have and perform such duties as commonly associated with the respective titles and specific adherence to the Town's Manual of Procedural Guidelines. The Town Manager may appoint a secretary and other staff and provide such compensation for their services as may be authorized by the Town Council and by the annual town budget of expenditures.

4.14.040 MEMBERSHIP

Should any vacancy occur among the members of the Commission other than by expiration, the chairperson shall forward a notice to the mayor and members of the Town Council indicating that such a vacancy exists. The Town Council shall fill the vacancy in accordance with the provisions of the Manual for Procedural Guidelines.

4.14.050 MEETINGS; RULES OF PROCEDURE

The Commission shall meet at least twice annually at such place and time as shall be fixed by the Commission by its standing rules. A majority of the existing appointed members of the Commission shall constitute a quorum for the transaction of business. In matters relating to the holding of regular and special meetings, the Commission and any standing committee of the Commission, is bound by the provisions of the Ralph M. Brown Act of the State of California (Sections 54950, *et. seq.*, California Government Code).

4.14.060 POWERS AND DUTIES OF THE COMMISSION

Within the limitations provided by law, the Revenue Measure Oversight Commission shall review the projected revenues and recommended expenditures for the funds generated by Chapter 3.26 and/or Chapter 3.28 of this Code and shall make recommendations to the Town Council as a part of the Town's annual budget process. The Commission shall have the following powers and duties:

1. Establish a schedule of regular meeting times
2. Make recommendations to the Town Council regarding:
 - a. Programs and projects proposed to be funded in whole or in part by Measure "Y" and/or Measure "Z" revenues;
 - b. Oversee and monitor expenditures of all Measure "Y" and/or Measure "Z" funds, after the Town Council has approved any program or project with Measure "Y" and/or Measure "Z" funds;
 - c. Review the annual independent audit of revenues received by and expenditures from Measure "Y" and/or Measure "Z" funds prior to the audit's presentation to the Council;
 - d. Review the Finance Manager's estimate of Measure "Y" revenues for each fiscal year prior to the Council adoption of the annual General Fund Budget.
 - e. Review the Finance Manager's estimate of Measure "Z" revenues for each fiscal year prior to the Council adoption of the Special Fund Budget
3. Perform such other duties as the Town Council may assign.

SECTION 2.

1. The Town Council recognizes that the passage of Measure "Y", a general tax measure will result in additional general tax revenues that the Town can use for any governmental use or purpose as allowed by the Yucca Valley Municipal Code and the laws of the State of California. It is the desire of the Town Council that revenues attributed to Measure "Y" should be used for projects, programs, services, and other opportunities that have been or would be unfunded or underfunded under current and anticipated budget restrictions.
2. The Town Council recognizes that the passage of Measure "Z", a special tax measure will result in additional special revenues that the Town must specifically use toward the reduction of the Sewer Assessments equitably among all phases.

The Town Council therefore finds that the creation and implementation of the Revenue Measure Oversight Commission will ensure that the proceeds of Measure "Y" and/or Measure "Z" are used for projects, programs, and services that are beneficial for, and will maintain and/or improve the overall quality of life of the residents of the Town of Yucca Valley.


SECTION 3. The Mayor shall sign and the Town Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same, or the summary thereof, to be published and posted pursuant to the provisions of law and this Ordinance shall take effect thirty (30) days after passage or the date on which the Town Council certifies voter approval of Measure "Y" and Measure "Z" whichever occurs last.

APPROVED AND ADOPTED THIS 7th day of February, 2017.



MAYOR

ATTEST:



TOWN CLERK

STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO
TOWN OF YUCCA VALLEY

I, Lesley R. Copeland, Town Clerk of the Town of Yucca Valley, California hereby certify that the foregoing Ordinance No. 265 as duly and regularly introduced at a meeting of the Town Council on the 17th day of January, 2017, and that thereafter the said ordinance was duly and regularly adopted at a meeting of the Town Council on the 7th day of February, 2017, by the following vote, to wit:

- Ayes: Council Members Denison, Drozd, Lombardo and Mayor Abel
- Noes: None
- Abstain: None
- Absent: Council Member Leone

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Town of Yucca Valley, California, this 8th day of February, 2017.



Town Clerk of the Town of
Yucca Valley



**Town of Yucca Valley
Revenue Measure Oversight Commission Staff Report**



To: Revenue Measure Oversight Commission

From: Jordan Gumbish, Finance Manager

Date: April 2, 2026

Meeting Date: April 6, 2026

Subject: FY 2026-28 Measure Y & Z Proposed Budget

Recommendation:

That the Oversight Commission:

1. Review the proposed FY2026-28 Measure Y & Z Budgets with input as desired, and forward a recommendation for approval to the Town Council.

Prior Review:

On January 17, 2017, the Town Council introduced the ordinance establishing the Revenue Measure Oversight Commission, and appointed an ad hoc committee of the Council to develop appropriate guidelines for the implementation of the Commission in accordance with the Council's Manual of Procedural Guidelines to ensure community oversight over voter-approved local funds.

Discussion:

The following narrative summarizes the budget plan for the FY2026-28 time frame, and will be presented and discussed as part of the Commission's meeting.

FY2026-28 Proposed Budgets

Revenue Measure Y

Upon review and recommendation by the Commission, the Fiscal Year 2026-28 budget will be returned to the Town Council for adoption.

Measure Y

The proposed funding continues to be focused on the three spending goals of the voter-approved Measure Y Spending Plan, which centers on local Infrastructure, Public Safety, and Quality of Life maintenance and improvements. Below are the details of the proposed budget.

Revenue

The proposed spending plan is based on conservative revenue projections by the Town's staff and sales tax consultant of \$2.75m in annual sales tax revenue for both years. This is a 0 percent increase from the prior fiscal-year budgeted revenues and is based on reduced revenue

growth expectations over the two-year period.

Measure Y revenues continue to be spent on the three spending goals of the voter-approved spending plan, which centers on local Infrastructure, Public Safety, and Quality of Life maintenance and improvements. The Town regularly conducts community outreach to gather input on local services and priorities, which guide spending of voter-approved local funds. In the Town most recent community satisfaction survey, residents continue to highly cite the need for maintaining law enforcement and crime prevention services as well as maintaining and repair local streets, sidewalks, and infrastructure.

Expenditures

Public Safety

Staff have proposed the continued allocation towards Public Safety annual contract costs, with the funding of the two Measure Y specific positions and the contribution of maintenance of the annual Schedule A contract. The contribution of maintenance is recommended at 30%. Annual contract safety costs are projected to increase at a 6% rate each year for a total Public Safety allocation of \$1.3 million and \$1.45 million and account for 48% and 52% of FY26-28 budgeted Measure Y revenues.

Infrastructure

The proposed FY26-28 budget includes an Infrastructure allocation available of \$1.5m each year that can be appropriated towards a variety of Town infrastructure projects that are projected for the upcoming two-year budget cycle. These projects include parks maintenance and improvements, facility improvements, and potential improvements for Town streets and roads. As Town staff develops the comprehensive package the Measure Y funded projects will be identified and included in the final budget adoption.

Quality of Life

The proposed Quality of Life allocations focus on Community Partnerships and the continuation of the expanded Senior Center programming. The annual Senior programming budget includes three dedicated personnel and operating costs for a total budget of \$225,000 and \$235,000, respectively. The Town has solicited partnership applications from the non-profit organizations in the community based on a standard set of policy guidelines aligned with the Commission's approved policy statement and has scheduled the awarding process in tandem with the approval of the FY2026-28 budget at an annual amount of \$150,000 per year. In addition, the Quality-of-Life budget is recommended to include an annual allocation of \$175,000 for a comprehensive homelessness program, and an annual allocation of \$75,000 for town-wide vector control services.

Administrative Costs

Administrative costs are budgeted at five percent of projected revenues, and should be sufficient to cover staffing, audit, and legal costs. Project specific signage and other related costs will be allocated directly to projects funded by Measure Y.

Fund Balance

The proposed budget summary page reflects the fund balance of Measure Y for the budget period and is maintained to meet the fund's minimum reserve policy.

Revenue Measure Z

The proposed budget reflects a pass-thru of all funds received through Measure Z, less up to a five percent reduction for administrative costs, to the Hi Desert Water District to be used only for assessment reduction. Since inception, Measure Z pass-thru funds to the Hi-Desert Water District has provided an average of 50% reduction in resident’s annual sewer assessment fees and is projected to provide similar reductions in the proposed budget years. This structure is consistent with the approved Disbursement agreement.

Summary

Staff has factored in the most current information available regarding the Federal, State, and County programs. As these programs proceed through their process, it is likely that there may be subsequent changes which may impact the Town’s proposed budget. Staff will keep the Council apprised of any such changes as information becomes available and will return for further action as necessary.

Alternatives

Fiscal Impact:

The proposed FY2026-28 Measure Y and Measure Z budgets will provide funding as identified and provide sufficient fund balance to meet the Reserve Policy minimum requirements.

Attachments

1. Measure Y and Z Proposed Budget FY26-28

**Town of Yucca Valley
FY 2026-28 Proposed Budget
Special Revenue Funds**

801-Town Essential Services	2025-26		2026-27	2027-28
	Amended Budget	Projected Actual	Proposed Budget	Proposed Budget
RECEIPTS				
Sales Tax	2,750,000	2,615,000	\$ 2,750,000	\$ 2,750,000
Interest Income	20,000	20,000	20,000	20,000
TOTAL RECEIPTS	2,770,000	2,635,000	2,770,000	2,770,000
EXPENDITURES				
Indirect Cost Recovery	103,500	130,750	137,500	137,500
Measure Communication Services	30,000	30,000	30,000	30,000
Sales Tax Admin Costs	4,000	4,000	4,000	4,000
TOTAL EXPENDITURES	137,500	164,750	171,500	171,500
CAPITAL OUTLAY				
Work in Progress	3,873,841	2,393,841	2,320,000	2,475,000
TOTAL CAPITAL OUTLAY	3,873,841	2,393,841	2,320,000	2,475,000
OPERATING TRANSFERS IN (OUT)				
Transfer In (Out) - Fund 574	(360,000)	(360,000)	-	-
Transfer In (Out) - Fund 572	(1,500,000)	(1,500,000)	-	-
	(1,860,000)	(1,860,000)	-	-
INCREASE (DECREASE) IN FUND BALANCE	(3,101,341)	(1,783,591)	278,500	123,500
BEGINNING FUND BALANCE	3,428,610	3,428,610	1,645,019	1,923,519
ENDING FUND BALANCE	\$ 327,269	\$ 1,645,019	\$ 1,923,519	\$ 2,047,019
Work in Progress Detail				
Maintenance of Existing Essential Public Safety	1,074,244	1,074,244	1,325,000	1,465,000
Slurry Seal	1,250,000	-	250,000	250,000
Crack Sealing	250,000	250,000		
Emergency Dirt Road Maintenance	100,000			
Infrastructure Contingency	100,000	-	100,000	100,000
Brehm II Turf Replacement Project	-	-	-	-
Town Recreation and Park Improvements	-	20,000	20,000	20,000
Infrastructure Projects	1,700,000	270,000	370,000	370,000
Expanded Senior Programming	150,000	150,000	225,000	235,000
Senior Center Improvements (w/ Parking Lot)	98,622	98,622	-	-
Community Non-Profit Partnerships	100,000	100,000	150,000	150,000
Homelessness Program	100,000	50,000	175,000	180,000
Museum Improvements	100,000	100,000	-	-
QOL - Vector Control Services	70,000	70,000	75,000	75,000
SR 62 Beautification - Monument Signs	435,000	435,000		
Community-Wide QOL Program - CC Athletics Masterplan	45,975	45,975		
	3,873,841	2,393,841	2,320,000	2,475,000

**Town of Yucca Valley
FY 2026-28 Proposed Budget
Special Revenue Funds**

802 Sewer Assessment Assistance	<u>2025-26</u> Amended Budget	<u>2026-27</u> Proposed Budget	<u>2027-28</u> Proposed Budget
RECEIPTS			
Measure Z Sales Tax	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000
Interest Income	5,000	5,000	5,000
TOTAL RECEIPTS	2,755,000	2,755,000	2,755,000
EXPENDITURES			
Measure Communication Services	25,000	25,000	25,000
Pass Through to HDWD	3,584,370	2,378,570	2,626,500
Sales Tax Admin Costs	103,500	103,500	103,500
TOTAL EXPENDITURES	3,712,870	2,507,070	2,755,000
OPERATING TRANSFERS IN (OUT)	-	-	-
INCREASE (DECREASE) IN FUND BALANCE	(957,870)	247,930	-
BEGINNING FUND BALANCE	\$ 709,940	\$ (247,930)	\$ 0
ENDING FUND BALANCE	\$ (247,930)	\$ 0	\$ 0

Notes

1. Estimated annual revenue increased to reflect projected actuals.
2. Admin cost based on 5% of revenues to cover finance costs, communication plan, outreach.

**Town of Yucca Valley
Revenue Measure Oversight Commission Staff Report**



To: Revenue Measure Oversight Commission

From: Jordan Gumbish, Finance Manager

Date: April 2, 2026

Meeting Date: April 6, 2026

Subject: Measure Y and Measure Z Annual Financial Reports

Recommendation:

That the Oversight Commission receive and file the Measure Y and Measure Z annual financial reports, Agreed Upon Procedures reports, and the Measure Y project highlights and report.

Prior Review:

On February 7, 2017 the Town Council adopted and approved Ordinance No. 265 establishing the Revenue Measure Oversight Commission. Section 4.14.060 of this Ordinance states the Commission will review the annual independent audit of revenues received by and expenditures from Measure Y and Measure Z.

Discussion:

The duties of the Revenue Measure Oversight Commission includes the review of the annual financial reports and annual independent audit of the Measure Y and Measure Z funds, which are included in the Town's independent audit requirements as other General Fund revenue. In addition, Measure Y Ordinance No. 263 and Measure Z Ordinance No. 264 require that annual Agreed Upon Procedures be performed and completed by an independent accountant.

The 2024-25 fiscal year audit was conducted by Rogers, Anderson, Malody and Scott, LLP, a firm of independent CPAs appointed by and reporting to the Town Council. The purpose of the audit is to state an opinion with regards to the accuracy of the Town's financial statements and results of operations. In addition, Rogers, Anderson, Malody, & Scott, LLP completed and reported upon the Agreed Upon Procedures for Measure Y and Measure Z in accordance with attestation standards established by the American Institute of Certified Public Accountants. These procedures verified the proceeds of the transactions and the use tax imposed by the Revenue Measures and fulfilled the requirements of the adopted Ordinances.

In the reported Agreed Upon Procedures for FY2024-25 it was noted that the amounts reported for Measure Y and Measure Z agreed to the amounts reported in the financial statements and

that the proceeds of the transactions and the use tax imposed were used for their specified purposes. In addition, there were no exceptions noted in these performed procedures.

Town staff will provide a presentation to review the results of the FY 2024-25 at the Commission meeting as part of this agenda item.

Alternatives

None

Fiscal Impact:

While there is no direct fiscal impact, receiving an unqualified audit opinion and no exceptions in regards to the audited financial reports is an indicator of the Town’s effective financial policies and practices.

Attachments

- 1. Measure Y - Yucca
- 2. Measure Z - Yucca

TOWN OF YUCCA VALLEY

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES
ON THE TOWN OF YUCCA VALLEY MUNICIPAL CODE CHAPTER 3.26: TOWN OF YUCCA VALLEY
ESSENTIAL SERVICES TRANSACTIONS AND USE TAX ORDINANCE 263 (MEASURE Y)**

JUNE 30, 2025

Independent Accountant's Report

To the Honorable Town Council
Town of Yucca Valley
57090 Twentynine Palms Highway
Yucca Valley, California 92284

We have performed the procedures enumerated below on the amounts listed on Exhibits A and B, as required by the Town of Yucca Valley Municipal Code Chapter 3.26: *Town of Yucca Valley Essential Services Transactions and Use Tax Ordinance 263 (Measure Y)*, Sub-section 3.26.090: *Proceeds of Tax Fund*. The Town's management is responsible for the amounts listed on Exhibits A and B.

The Town of Yucca Valley (the Town) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the requirements of the Town of Yucca Valley Municipal Code Chapter 3.26: *Town of Yucca Valley Essential Services Transactions and Use Tax Ordinance 263 (Measure Y)*, Sub-section 3.26.090: *Proceeds of Tax Fund*, as of and for the year ended June 30, 2025. 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 of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the associated findings are as follows:

1. Procedure Performed:

Verified the proceeds of the transactions and use tax imposed by this Chapter were deposited into the General Fund of the Town.

Findings:

No exceptions were noted as a result of applying the procedure. Management of the Town created a separate Fund to more accurately report and account for the proceeds of the transactions and use tax imposed by this Chapter. The Fund created is a Special Revenue Fund, titled Measure "Y" Town Essential Services, fund number "801" in the financial reporting system of the Town.

2. Procedure Performed:

Agreed the amounts reported in the financial statements for the Measure Y Fund to the amounts recorded in the trial balance and general ledger for the fiscal year ended June 30, 2025, for the Fund. See Exhibits A and B for the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance, respectively.

Findings:

No exceptions were noted as a result of applying the procedure.

To the Honorable Town Council
Town of Yucca Valley

Procedure Performed:

3. Agreed the amounts reported in the revenue accounts for the Measure Y Fund to supporting documentation.

Findings:

No exceptions were noted as a result of applying the procedure.

4. Procedure Performed:

Verified the proceeds of the transactions and use tax imposed by this Chapter were used for all general government purposes which may include, but are not limited to, fire and police protection, street and sidewalk repair and maintenance, library services, park repair and maintenance, recreational programs, building and code enforcement services, planning and zoning services, capital equipment requirements, public infrastructure, utilities and sewer systems, repair and replacement of Town facilities, capital improvement projects, operational expenses, fiduciary responsibilities, administration, indebtedness and general obligations of the Town by inspecting supporting documentation.

Findings:

No exceptions were noted as a result of applying the procedure.

We were engaged by the Town to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Exhibits A and B as of and for the year ended June 30, 2025. 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.

Exhibits A and B present only the Measure Y fund of the Town of Yucca Valley and do not purport to, and do not present fairly the financial position of the Town of Yucca Valley, as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We are required to be independent of the Town 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 management and governance of the Town and is not intended to be and should not be used by anyone other than the specified parties.

Rogers, Anderson, Malochy & Scott, LLP.

November 18, 2025
San Bernardino, California

**Town of Yucca Valley
Special Revenue Fund
Measure Y Essential Town Services
Balance Sheet
June 30, 2025**

Assets

Cash and cash equivalents	\$ 3,404,485
Due from other governments	410,016
	<hr/>
Total assets	<u>\$ 3,814,501</u>

Liabilities and Fund Balance

Liabilities:

Accounts payable	\$ 59,256
Accrued salaries	1,834
	<hr/>
Total liabilities	<hr/> 61,090

Fund Balance:

Restricted	<hr/> 3,753,411
Total fund balance	<hr/> 3,753,411
Total liabilities and fund balance	<u>\$ 3,814,501</u>

See Independent Accountant's Report

Town of Yucca Valley
Special Revenue Fund
Measure Y Essential Town Services
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2025

Revenues	
Taxes	\$ 2,756,834
Investment earnings	25,342
	<hr/>
Total revenues	2,782,176
	<hr/>
Expenditures	
General government	128,067
Public safety	930,000
Parks and recreation	446,961
Public works	685,359
Community development	75,000
	<hr/>
Total expenditures	2,265,387
	<hr/>
Excess (deficiency) of revenues over expenditures	516,789
	<hr/>
Other Financing Sources (uses)	
Transfer out	(250,000)
Transfer in	100,000
	<hr/>
Total other financing sources (uses)	(150,000)
	<hr/>
Net change in fund balance	366,789
	<hr/>
Fund balance	
Beginning of year	3,386,622
	<hr/>
End of year	\$ 3,753,411
	<hr/> <hr/>

See Independent Accountant's Report

TOWN OF YUCCA VALLEY

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES**

**ON THE TOWN OF YUCCA VALLEY MUNICIPAL CODE CHAPTER 3.28: SEWER IMPLEMENTATION
AND ASSESSMENT ASSISTANCE TRANSACTIONS AND USE TAX ORDINANCE 264
(MEASURE Z)**

JUNE 30, 2025

Independent Accountant's Report

To the Honorable Town Council
Town of Yucca Valley
57090 Twentynine Palms Highway
Yucca Valley, California 92284

We have performed the procedures enumerated below on the amounts listed on Exhibits A and B, as required by the Town of Yucca Valley Municipal Code Chapter 3.28: *Sewer Implementation and Assessment Assistance Transactions and Use Tax Ordinance 264* (Measure Z), Sub-section 3.28.090: *Special Purpose; Dedication of Tax Proceeds towards Sewer Implementation; Lowering of Citizen Sewer Assessment*. Management is responsible for the amounts listed on Exhibits A and B.

The Town of Yucca Valley (the Town) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the requirements of the Town of Yucca Valley Municipal Code Chapter 3.28: *Sewer Implementation and Assessment Assistance Transactions and Use Tax Ordinance 264* (Measure Z), Sub-section 3.28.090: *Special Purpose; Dedication of Tax Proceeds towards Sewer Implementation; Lowering of Citizen Sewer Assessment*, as of and for the year ended June 30, 2025. 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 of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the associated findings are as follows:

1. Procedure Performed:

Verified the proceeds of the transactions and use tax imposed by this Chapter were deposited into a special fund established by the Town as the "Sewer Project Assessment Assistance Fund".

Findings:

No exceptions were noted as a result of applying the procedure.

2. Procedure Performed:

Agreed the amounts reported in the financial statements for the Measure Z Fund to the amounts recorded in the trial balance and general ledger for the fiscal year ended June 30, 2025, for the Fund. See Exhibits A and B for the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance, respectively.

Findings:

No exceptions were noted as a result of applying the procedure.

3. Procedure Performed:

Agreed the amounts reported in the revenue accounts for the Measure Z Fund to supporting documentation.

Findings:

No exceptions were noted as a result of applying the procedure.

4. Procedure Performed:

Verified the Town's allocation of the tax proceeds towards the Sewer Project is credited towards Sewer Project Assessments imposed upon Town citizens and the tax proceeds are credited towards Sewer Project Assessments equitably amongst all Assessment payers in all Sewer Project phases, such that all Assessment payers will receive the same pro-rata percentage decrease in their Assessments.

Findings:

No exceptions were noted as a result of applying the procedure.

5. Procedure Performed:

Verified the tax proceeds used by the Town were not to pay for any Sewer Project services or improvements already provided by a governmental or private entity or in a manner that would diminish or replace services provided by the Hi-Desert Water District.

Findings:

No exceptions were noted as a result of applying the procedure.

6. Procedure Performed:

Verified the tax proceeds used to pay for the Town's costs associated with independent audits, special fund management and administrative costs associated with the tax required by this Chapter, excepting that payment of administrative costs shall not exceed five (5) percent of the annual tax proceeds in any annual period.

Findings:

No exceptions were noted as a result of applying the procedure.

To the Honorable Town Council
Town of Yucca Valley

We were engaged by the Town to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Exhibits A and B as of and for the year ended June 30, 2025. 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.

Exhibits A and B present only the Measure Z fund of the Town of Yucca Valley and do not purport to, and do not present fairly the financial position of the Town of Yucca Valley, as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We are required to be independent of the Town 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 management and governance of the Town and is not intended to be and should not be used by anyone other than the specified parties.

Rogers, Anderson, Malody & Scott, LLP.

November 18, 2025
San Bernardino, California

**Town of Yucca Valley
Special Revenue Fund
Measure Z Sewer Assessment Assistance
Balance Sheet
June 30, 2025**

Assets

Cash and cash equivalents	\$ 1,003,325
Due from other governments	<u>410,016</u>
Total assets	<u><u>\$ 1,413,341</u></u>

Liabilities and Fund Balance

Liabilities:

Accounts payable	<u>\$ 703,401</u>
Total liabilities	<u>703,401</u>
Fund Balance:	
Restricted - Public Works	<u>709,940</u>
Total fund balance	<u>709,940</u>
Total liabilities and fund balance	<u><u>\$ 1,413,341</u></u>

See Independent Accountant's Report

**Town of Yucca Valley
Special Revenue Fund
Measure Z Sewer Assessment Assistance
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2025**

Revenues	
Taxes	\$ 2,756,833
Investment earnings	6,650
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Total revenues	2,763,483
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Expenditures	
Pass through payments to High-Desert Water District	2,645,535
Sales tax administration costs	114,914
Communication services	28,960
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Total expenditures	2,789,409
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Net change in fund balance	(25,926)
Fund balance	
Beginning of year	735,866
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End of year	\$ 709,940
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See Independent Accountant's Report