



CITY OF CRESCENT CITY

AGENDA
SPECIAL MEASURE S OVERSIGHT COMMITTEE MEETING
WASTEWATER TREATMENT FACILITY
210 BATTERY STREET
CRESCENT CITY, CA 95531

TUESDAY

FEBRUARY 11, 2025

5:30 P.M.

This meeting will be held in person at the location listed above. The City will broadcast the meeting on YouTube, however, if there is a technological issue with YouTube, the meeting will continue in person as scheduled. The public may access and participate in the public meeting by (1) attending the meeting in person and making public comment when called for by the Chair or (2) by submitting a written comment via publiccomment@crecentcity.org or by filing it with the City Clerk at 377 J Street, Crescent City, California, 95531. All public comments (via email or mail) must be received by the City Clerk prior to 12:00 p.m. the day of the meeting. Please identify the meeting date and agenda item to which your comment pertains in the subject line. Public comments so received will be forwarded to the City Council and posted on the website next to the agenda. **Written public comments will not be read aloud during the meeting.**

Notice regarding Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact the City Clerk's office at (707)464-7483, ext. 223. Notification 48 hours before the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting [28 CFR 35.102-35.104 ADA Title II]. For TTYDD use for speech and hearing impaired, please dial 711. A full agenda packet may be reviewed at City Hall, 377 J Street, Crescent City, CA or on our website: www.crescentcity.org

OPEN SESSION

Call to order
Roll call
Pledge of Allegiance

PUBLIC COMMENT PERIOD

Any member of the audience is invited to address the Measure S Oversight Committee on any matter that is within the jurisdiction of the City of Crescent City. Comments of public interest or on matters appearing on the agenda are accepted. Note, however, that the Committee is not able to undertake extended discussion or act on non-agendized items. All comments shall be directed toward the entire Committee. Any comments that are not at the microphone are out of order and will not be a part of the public record. After receiving recognition from the Chair, please state your name and city or county residency for the record. Public comment is limited to three (3) minutes. The public is additionally allotted three minutes each in which to speak on any item on the agenda prior to any action taken by the Committee.

CONSENT CALENDAR

1. Meeting Minutes

- *Recommendation: Consider and approve the April 30, 2024 and October 28, 2024 Measure S Oversight Committee meeting minutes.*

NEW BUSINESS

2. Measure S Oversight Committee Annual Report for Fiscal Year 2023-2024

- *Recommendation: Hear staff report*
- *Technical questions from the Committee*
- *Receive public comment*
- *Further Committee discussion*
- *Approve and adopt Resolution No. MS2025-01, A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE APPROVING A REPORT ON MEASURE S FUNDS FOR FISCAL YEAR 2023-2024*

3. Measure S FY25 Project Updates

- *Recommendation: Hear staff report*
- *Technical questions from the Committee*
- *Receive public comment*
- *Further Committee discussion*
- *Receive updates on multiple FY24/25 Measure S projects and expenditures – No action requested*

4. Selection of Chair and Vice-Chair

- *Recommendation: Hear staff report*
- *Technical questions from the Committee*
- *Receive public comment*
- *Further Committee discussion*
- *Select a Chair and Vice Chair to serve for the next year*

MEASURE S OVERSIGHT COMMITTEE ITEMS

➤ **City Manager Report**

ADJOURNMENT

Adjourn to the next meeting of the Measure S Oversight Committee, date to be determined, at the Wastewater Treatment Facility conference room, 210 Battery Street, Crescent City, CA.

POSTED:

February 6, 2025

/s/ Robin Altman

City Clerk/Administrative Analyst

Vision:

The City of Crescent City will continue to stand the test of time and promote quality of life and community pride for our residents, businesses and visitors through leadership, diversity, and teamwork.

Mission:

The purpose of our city is to promote a high quality of life, leadership and services to the residents, businesses, and visitors we serve. The City is dedicated to providing the most efficient, innovative and economically sound municipal services building on our diverse history, culture and unique natural resources.

Values:

Accountability
Honesty & Integrity
Excellent Customer Service
Effective & Active Communication
Teamwork
Fiscally Responsible



CITY OF CRESCENT CITY

Chairman Ernie Perry
Committee Member Dana Reno

Vice-Chair Steve Shamblin
Committee Member Candace Tinkler

MINUTES
MEASURE S OVERSIGHT COMMITTEE MEETING
WASTEWATER TREATMENT FACILITY
210 BATTERY STREET
CRESCENT CITY, CA 95531

TUESDAY

APRIL 30, 2024

5:30 P.M.

OPEN SESSION

Call to order Chairman Perry called the meeting to order at 5:30 p.m.

Roll call Committee Members present: Committee Member Dana Reno, Committee Member Candace Tinkler, Vice-Chair Steve Shamblin, and Chairman Ernie Perry
Staff members present: City Manager Eric Wier (non-voting member), City Attorney Martha Rice, City Clerk/Administrative Analyst Robin Altman, Finance Director Linda Leaver (non-voting member), Economic Development and Recreation Director Ashley Taylor, Public Works Director Dave Yeager, Public Works Maintenance Manager Jason Wylie

Pledge of Allegiance led by Chairman Perry

PUBLIC COMMENT PERIOD

There were no comments from the public.

CONSENT CALENDAR

1. Meeting Minutes

- *Recommendation: Consider and approve the April 3, 2024 Measure S Oversight Committee meeting minutes.*

There were no comments from the public.

On a motion by Committee Member Tinkler, seconded by Vice-Chair Shamblin, and carried unanimously on a 4-0 polled vote, the Measure S Oversight Committee approved the April 3, 2024 Measure S Oversight Committee meeting minutes.

NEW BUSINESS

2. FY 23/24 and FY 24/25 Expenditure Recommendations for Measure S Funds

- *Recommendation: Hear staff presentation*
- *Technical questions from the Committee*
- *Receive public comment*
- *Further Committee discussion*

- *Approve and adopt Resolution No. MS2024-02, A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE AMENDING THE RECOMMENDED EXPENDITURES OF MEASURE S FUNDS FOR FY 23/24*
- *Approve and adopt Resolution No. MS2024-03, A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE RECOMMENDING EXPENDITURES OF MEASURE S FUNDS FOR FY 24/25*

City Manager Wier reported that having reliable patrol vehicles for our police officers is a high priority. He further reported that the Police Department Vehicle Replacement Plan does not affect the budget recommendations for FY24/25. The goal is to have patrol vehicles that are not more than 10 years old and less than 100k miles. Then, they will be transitioned to Admin or Reserve Patrol (which anticipates 7500 miles a year). For the K9 vehicles, there is a minimum of 3 primary K9 vehicles required as there are three K9 officers. These vehicles are anticipated to get 12k miles a year and this is attributed to additional travel for training. Chairman Perry asked if there would be 10-12 vehicles on hand; City Manager Wier stated yes, between 10-12. Chief Griffin stated that the vehicles that are no longer on patrol can be used for training, travel, and Emergency Vehicles Operation Course (EVOC), which is a basic pursuit training. Committee Member Tinkler stated that due to the climate and salt air, she was not expecting that a patrol car would last 10-15 years. Chief Griffin stated that these vehicles are running all of the time and not staying parked for long periods of time. Chief Griffin stated that the previous patrol vehicles had high mileage and were not in the best of shape; Measure S has afforded the police department to get safer, more sound patrol vehicles for the Department.

City Manager Wier went over the PD facility plan. Chairman Perry asked when this project would take place; Finance Director Leaver stated they are hoping to go out to bid late Summer or Fall; City Manager Wier stated that construction would begin next year. Chairman Perry asked how the patrol vehicles are taken out of commission; City Manager Wier explained that there is a government auction site that is used to auction off former patrol vehicles. Chief Griffin gave an update on staffing, that there will be a reserve officer come on board soon and that they will soon be up to full staffing. Vice-Chair Shamblin asked if the money from the vehicle sale goes back to the General Fund; City Manager Wier stated it depends on where the funding had initially come from, that it would go back to that fund.

City Manager Wier reported to the Committee that there are no changes to the Crescent City Fire and Rescue budget for FY23/24. For FY24/25 budget, there are the following budgeted costs shared with the District – volunteer stipends, station staffing, full-time Captain positions, training, Command Department Training System, volunteer recruitment and retention, equipment and tools, rope rescue equipment, apparatus radios, turnouts and helmets and transfer to vehicle/equipment fund for future turnouts. What has been budgeted as City-only costs are the following; transfer to apparatus replacement fund, transfer to vehicle/equipment fund (quick response vehicle), transfer to vehicle/equipment fund (Chief command vehicle), SCBA for the City, and transfer to vehicle/equipment fund for future SCBAs. Fire Chief Carey stated that all of the radios in the rigs are old and need to be replaced. City Manager Wier discussed the replacement of apparatuses. Chairman Perry asked how much a new rig would be; Chief Carey stated it is anywhere between \$900k to \$1million. He also stated that he has been in discussions with Elk Valley Rancheria for possible funding to assist with it's purchase.

City Manager Wier reported that for the Pool, the biggest change in that budget was in parts and supplies. The slide pump was originally in the budget, however, since there is a spare, it doesn't need to be in this budget. The pool recirculation pump is only going to cost \$5k, which resulted in some savings. City Manager Wier stated that the bid for the HVAC project, has a base bid of

\$1,156,017. The base bid includes installation of a dehumidification system and replacing the boilers in kind. This project, if approved, will increase the temperature and humidity control resulting in better comfort for swimmers, bystanders, and staff as well as a building that will have a longer useful life.

Vice-Chair Shamblin would like to see the difference between the General Fund (GF) and Measure S funds. Director Leaver stated that was included in the Audit Report in the last meeting. City Manager Wier showed a graph that showed before Measure S funding and the budget afterwards. Measure S is really augmenting the GF and the GF is putting in more. Vice Chair Shamblin appreciated seeing how much Measure S augments the General Fund. Director Leaver explained the process the sales tax auditor does in detail and that they are very accurate in their predictions for Measure S funds.

City Manager Wier went over this year's budget for streets. Staff recommended to not purchase the crack seal machine, but to hire a contractor to perform the crack sealing instead, therefore that has been removed from the budget. The proposed FY24/25 recommended Measure S budget for street improvements includes \$200k in minor street/pedestrian repairs (potholes, crack seal, and sidewalk repairs/replacement) plus \$600k in a large street project. Then there is a typical budget for street striping and streetlights. We have a total of \$1.1million to be used for street projects. Regarding the slide at Pebble Beach Drive, the emergency funding will not be coming through. However, there is \$32million authorized by the Federal Highways, but the City would have to front the money and then wait to be reimbursed, which could take years. The options for the Committee to consider for Pebble Beach Drive are the following: not expend any of the funds listed above until an official determination/options for the repair of Pebble Beach are known, expend only the minor repair budget of approximately \$250k in FY23/24 plus \$200k in FY24/25 and save the unallocated major road repair funds in the amount of \$1,525,000 until more is known about the Pebble Beach Drive project funding, or expend all of the funds as originally intended on local road projects. This last option would limit the City's future options regarding the repair and stabilization of Pebble Beach Drive. Director Yeager gave a PowerPoint presentation on the street projects. Chairman Perry stated he proposes the Committee adopts what has been presented tonight as they have been very well informed. The projects that have been budgeted this year is what he is proposing the Committee recommends. He further stated that the opportunity should be seized for an important project; Committee Member Reno agreed, should use the funds for the projects before the Committee and what has already been budgeted. Vice-Chair Shamblin agrees; Committee Member Tinkler stated that she would like to see the funds be used for what the voters voted for.

There were no comments from the public.

On a motion by Committee Member Reno, seconded by Vice-Chair Shamblin, and carried unanimously on a 4-0 polled vote, the Measure S Oversight Committee approved and adopted Resolution No. MS2024-02, A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE AMENDING THE RECOMMENDED EXPENDITURES OF MEASURE S FUNDS FOR FY 23/24.

On a motion by Committee Member Tinkler, seconded by Committee Member Reno, and carried unanimously on a 4-0 polled vote, the Measure S Oversight Committee approved and adopted Resolution No. MS2024-03, A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE RECOMMENDING EXPENDITURES OF MEASURE S FUNDS FOR FY 24/25.

MEASURE S OVERSIGHT COMMITTEE ITEMS

➤ **City Manager Report / Measure S Projects Updates - None**

ADJOURNMENT

On a motion by Committee Member Reno, seconded by Vice-Chair Shamblin, and carried unanimously, the Measure S Oversight Committee adjourned the meeting at 7:18 p.m. to the next meeting of the Measure S Oversight Committee, date and time to be determined, at the Wastewater Treatment Facility conference room, 210 Battery Street, Crescent City, CA.

ATTEST:

Robin Altman
City Clerk/Administrative Analyst



CITY OF CRESCENT CITY

MINUTES
SPECIAL MEASURE S OVERSIGHT COMMITTEE MEETING
 WASTEWATER TREATMENT FACILITY
 210 BATTERY STREET
 CRESCENT CITY, CA 95531

MONDAY OCTOBER 28, 2024 5:30 P.M.

OPEN SESSION

Call to order Chairman Perry called the meeting to order at 5:33 p.m.

Roll call Committee Members present: Committee Member Shawna Hyatt, Committee Member Candace Tinkler, Vice-Chair Steve Shamblin, Chair Ernie Perry, City Manager Eric Wier (non-voting member) and Finance Director Linda Leaver (non-voting member)
Committee Member absent at roll call: Committee Member Dana Reno
Staff members present: City Clerk/Administrative Analyst Robin Altman, City Attorney Martha Rice, Public Works Director Dave Yeager, Engineering Project Manager Cliff VanHook, Fire Chief Kevin Carey, and Police Chief Richard Griffin

Pledge of Allegiance led by Chair Perry

PUBLIC COMMENT PERIOD

There were no comments from the public.

CONSENT CALENDAR - NONE

NEW BUSINESS

1. Consider FY25 Measure S Budget Recommendation Amendments including:

Fred Endert Pool

- Pool HVAC and Flooring Project Update
- Additional Work Recommendations during Pool Closure
- Project Contingency

Crescent City Fire and Rescue

- Wildland Fire Turnout Grant Matching funds

Crescent City Police Department

- Police Department Remodel / Addition Project Update
- FY25 Debt Service Payment Reallocation
- Estimated Future Debt Service Payments

- *Recommendation: Hear staff report*
- *Technical questions from the Committee*

- *Receive public comment*
- *Further Committee discussion*
- *Approve and adopt Resolution No. MS2024-04, A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE AMENDING THE RECOMMENDED EXPENDITURES OF MEASURE S FUNDS FOR FY 24/25*

City Manager Wier went over the current FY24-25 budget for Measure S funds in detail covering the Fred Endert Municipal Pool, Crescent City Police Department, Crescent City Fire and Rescue and streets. Chief Carey reported to the Committee the need for SCBAs and that they just received word the FEMA grant applied for was not awarded to the City, however Measure S funding has been instrumental in helping to fund them. Chairman Perry asked about the expenditures for the fire department; Chief Carey explained the equipment that will be purchased is for the apparatuses. He further explained that the costs will be shared between the City and the District. The main focus of the fire department is to get the equipment updated and a 10-year plan has been laid out to budget those items. Staff is asking the Measure S Oversight Committee to approve \$10k from the City for turnouts and SCBAs, with the District matching the funds.

Director Yeager gave a detailed report on the pool projects with Engineering Project Manager VanHook giving more detail of the projects to be done during the pool closure.

City Manager Wier explained the amended Expenditure Recommendations that are listed in Exhibit A. The amendments are as follows: Fire Department: turnouts and helmets – current budget is \$50k, recommended budget is \$70k. The Fire District reimbursement: current budget is \$390,840 the recommended budget is \$400,840. For police department facility improvements, the recommended budget is \$90k to be transferred into CIP fund. For street improvements: pot hole, crack seal, and minor repairs, sidewalk repair or install, striping, street lights, grant match for HSIP sidewalk project (transfer to CIP) and street preservation project (transfer to CIP fund) – budget is \$1,143,374. For the Fred Endert Swimming Pool: operations, equipment, parts, repairs, transfer to CIP fund (HVAC/dehumidification project) – recommended budget: \$375k. For the Finance Department: independent audit and sales tax consultant (projections & business audits) recommended budget: \$7,991.

Chairman Perry stated he would like to see the maintenance expenses be tracked to ensure they are being done. Is in support of what staff is presenting for Measure S expenses. Committee Member Tinkler asked about the \$120k contingency for the Pool CIP project; City Manager Wier asked Chairman Perry if he wanted to see the contingency be 15% - 20% for specific maintenance items; Chairman Perry stated he is more concerned with the deferred maintenance and would like to see more funds for the contingency. City Manager Wier suggested bumping the contingency up \$50k, from \$120k to \$170k, so the work can get done while the pool is closed and there won't be a need to hold off on any work for approval of more funding. If the contingency isn't fully used, it will be returned to the Measure S budget. The Measure S Oversight Committee was in consensus to add \$50k to the contingency. City Manager Wier went over the detailed summary of the 5-year plan for Measure S funds.

On a motion by Vice-Chair Shamblin, seconded by Committee Member Tinkler and carried on a 5-0 polled vote, the Measure S Oversight Committee approved and adopted Resolution No. MS2024-04, A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE AMENDING THE RECOMMENDED EXPENDITURES OF MEASURE S FUNDS FOR FY24/25 with amendments to Exhibit A as presented.

2. FY25 Measure S Project / Capital Purchase Update Including:

Streets

- Capital Project Update

Director Yeager gave a detailed report on the street project that was sent to bid last week. He outlined the specific streets that will be targeted in the project scope.

Crescent City Fire and Rescue

- **Self Contained Breathing Apparatus (SCBA)**
- **Fire Quick Response Vehicle**

Chief Carey had briefed the Committee on the need for the SCBAs in the first agenda item, therefore he went into detail about the Fire Quick Response Vehicle. He gave an overview of how the vehicle will assist firefighters and that he anticipates the purchase to be made in May.

Crescent City Police Department

- **FY25 Patrol Vehicle**

Engineering Project Manager VanHook reported on the Police Department Remodel Project and explained that the work will be done while the station is still operational. City Manager Wier explained that \$2.6 million is needed for the CCPD debt service and the ask of the Measure S Oversight Committee is to place those funds in CIP. Committee Member Reno asked if any of the work can be done by City staff to save money; Director Yeager said that due to not having the correct kind of machinery, City staff cannot do the work.

The following resident addressed the Committee:

Kelly Feola: asked if the contingency for the Pool would be placed in the HVAC project or additional maintenance issues; *Chairman Perry stated it would be for the deferred maintenance, not the HVAC project.*

MEASURE S OVERSIGHT COMMITTEE ITEMS

- **City Manager Report**
 - **Current Commissioner Terms and Expected 2025-2026 Term Measure S Oversight Committee Application Period**

City Manager Wier reported to the Committee that both Vice-Chair Shamblin and Committee Member Tinkler’s term end next month. He encouraged anyone who lives in the City limits to apply for the vacancies.

ADJOURNMENT

On a motion by Vice-Chair Shamblin, seconded by Committee Member Reno, and carried unanimously, the Measure S Oversight Board adjourned the meeting at 7:29 p.m. to the next meeting of the Measure S Oversight Committee, date to be determined, at the Wastewater Treatment Facility conference room, 210 Battery Street, Crescent City, CA.

ATTEST:

Robin Altman
City Clerk/Administrative Analyst



MEASURE S OVERSIGHT COMMITTEE AGENDA REPORT

TO: CHAIR PERRY AND MEMBERS OF THE MEASURE S OVERSIGHT COMMITTEE

FROM: ERIC WIER, CITY MANAGER

BY: LINDA LEAVER, FINANCE DIRECTOR

DATE: FEBRUARY 11, 2025

SUBJECT: MEASURE S OVERSIGHT COMMITTEE ANNUAL REPORT FOR FISCAL YEAR 2023-2024

RECOMMENDATION

- Hear staff report
- Technical questions from the Committee
- Receive public comment
- Further Committee discussion
- Approve and adopt Resolution No. MS 2025-01, A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE APPROVING A REPORT ON MEASURE S FUNDS FOR FISCAL YEAR 2023-2024

BACKGROUND

Attached are the Measure S financial statements and independent auditor's report for Fiscal Year 2023-2024 prepared by Badawi & Associates. The City's Measure S financial statements are provided to give an accurate financial snapshot at a specific point in time (June 30, 2024). The City Council engages a Certified Public Accountant (CPA) to independently audit these statements to provide users of financial reports with assurance concerning their reliability and that the statements are fairly presented.

The independent auditor reviews and tests the City's records and policies, interviews City staff, and confirms certain details with outside parties (including banks, the State, the County, the City's insurance provider, legal firms, local businesses, and others) in order to provide an opinion on whether the financial statements present fairly, in all material respects, the financial position of the City. Audit work begins after the fiscal year ends (June 30) and continues through several phases taking approximately six months.

One of the Measure S Oversight Committee's responsibilities is to review and publicly

report on the annual expenditure of Measure S revenues.

ANALYSIS

Measure S revenues and expenses occur within the City's General Fund using a specific set of account codes for tracking. Any remaining balance at the end of a given fiscal year is labeled "Assigned Measure S" and reported as a separate line item on the City's General Fund financial statements. The Measure S revenues and expenses are audited by the City's independent auditor as part of the City's overall financial audit as well as a stand-alone audit report for Measure S. Both the city-wide audit and the Measure S audit reports are posted on the City's website and can be found at www.crescentcity.org/departments/Finance/AuditsandBudgets.

As a general overview, Measure S had a balance of \$1,141,510 when the fiscal year FY 2023-2024 began. The FY 2023-2024 budget recommendation was approved by the Measure S Oversight Committee by Resolution No. MS 2023-03 on April 10, 2023, which was incorporated into the City's FY 2023-2024 budget by the City Council. The Oversight Committee gave updated recommendations as follows, all of which were incorporated into the City's budget by the City Council:

- November 14, 2023 meeting (Resolution No. MS 2023-04)
 - Re-budget items budgeted but not spent in FY 2022-2023
 - Fire: SCBA compressor, skid-mounted pump, radios
 - Police: radios
 - Streets: minor repairs, sidewalk repairs, striping
 - Move budgeted debt service payment for Police Department facility improvements into capital improvement fund
- April 30, 2024 meeting (Resolution No. MS 2024-02)
 - Move pool parts budget to capital improvement budget
 - Remove purchase of crack seal machine

FY 2023-2024 Revenues

In FY 2023-2024 total Measure S revenues were budgeted at \$2,701,260 (tax revenue and reimbursement from Crescent Fire Protection District) and actual revenue was \$2,692,977. Tax revenues came in slightly above budget and Fire District reimbursements came in below budget.

The Fire District and the City have a joint powers agreement to provide combined fire service to both the City and District. The shared operations are administered by the City, which pays the expenses and then bills the District for reimbursement of the District's share of the costs. Some of the City's fire department costs are budgeted using Measure S funds, as recommended by the Measure S Oversight Committee and approved by the City Council (such as the full-time fire captains, a portion of the volunteer firefighter stipends, certain equipment, training, etc.). For those expenses, the full expense is budgeted with Measure S funds, and the amount billed to the District (plus an administrative fee) is then returned to the Measure S balance as revenue.

	Original Budget	Final Budget	Actual	Variance
Measure S sales tax	2,300,000	2,300,000	2,345,019	45,019
Charges for service (Fire District reimbursement)	414,652	401,260	347,958	(53,302)
Total revenues	2,714,652	2,701,260	2,692,977	(8,283)

FY 2023-2024 Expenditures

The table below shows the original and final budgets as approved by the City Council and incorporated into the City’s budget. There may be slight differences from the amounts shown in the Measure S Oversight Committee resolutions due to updates in costs at the time of budget approval (particularly for wages and benefits).

	Original Budget	Final Budget	Actual	Variance
Fire (total expense before reimbursement)	1,044,360	1,096,829	920,879	(175,950)
Police	418,435	489,811	463,279	(26,532)
Streets	935,000	1,088,673	836,453	(252,220)
Pool	575,000	575,000	545,466	(29,534)
Finance	7,500	7,500	5,317	(2,183)
Total expenses	2,980,295	3,257,813	2,771,394	(486,419)

The specific items within each department are shown in an attachment to this report.

The items listed as “transfers” represent the Measure S contribution toward a specific capital improvement or capital purchase. Measure S transfers the money into the appropriate capital improvement fund until the project can be completed. Therefore, in the Measure S fund balance, the transfer is the expense, showing the money has been removed from Measure S and dedicated to the capital project. Those funds are not included in the ending fund balance of Measure S, as they have already been transferred to another fund. The exact project may or may not have been completed at the time of the audit. A detailed list of those projects and their remaining balance as of June 30, 2024 is also attached to this report. The funds continue to be tracked to ensure they are spent on Measure S priorities.

FY 2023-2024 Results

Revenues	
Measure S sales tax	2,345,019
Charges for service (Fire District reimbursement)	347,958
Total revenues	2,692,977

Expenditures	
Fire (total before reimbursement)	920,879
Police	463,279
Streets	836,453
Pool	545,466
Finance	5,318
Total expenditures	2,771,394
Fund balance	
Beginning balance (6/30/23)	1,141,510
Net results of FY 2023-2024	(78,417)
Ending balance (6/30/24)	1,063,093

The ending balance of \$1,063,093 is held in the Measure S fund balance, to be used for Measure S activities. Some of this amount has already been budgeted in the current fiscal year (FY 2024-2025). An update of the current year activities will be in a separate agenda item for this meeting.

After discussion of the audit report, staff recommends the Oversight Committee adopt a resolution approving the Committee’s annual report that will be submitted to the City Council and the public. This report confirms the amount of revenues received, the total expenditures, the balance of Measure S funds as of June 30, 2024, and what departments/projects were funded with Measure S revenues in FY 2023-24.

ATTACHMENTS

1. Measure S Oversight Committee resolutions for FY 2023-2024 budget recommendations (MS 2023-03, MS 2023-04, MS 2024-02)
2. Analysis of FY 2023-2024 budgeted and actual expenditures
3. Measure S Transfers and Capital Improvement balances
4. Measure S Audit Report Fiscal Year 2023-2024
5. Resolution No. MS 2025-01, including Measure S Annual Report for FY 2023-2024

RESOLUTION NO. MS2023-03

**A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE
RECOMMENDING EXPENDITURES OF MEASURE S FUNDS FOR FY 23/24**

WHEREAS, on November 2, 2020, the voters of the City of Crescent City approved Measure S, an ordinance imposing a local 1.0% Transactions and Use Tax; and

WHEREAS, Measure S requires a citizens' oversight committee to review and report on Measure S revenues and expenditures; and

WHEREAS, the Measure S Oversight Committee met in 2021 to establish a 5-year plan for funding projects with Measure S funds; and

WHEREAS, the Measure S Oversight Committee made expenditure recommendations in FY 21/22 and FY 22/23 based upon the 5-year plan as well as other needs and projects brought before the Committee; and

WHEREAS, the Measure S Oversight Committee has met throughout each fiscal year to receive revenue and expenditure updates as well as to hear requests for additional or different expenditures and has amended its recommendations from time to time; and

WHEREAS, the Measure S Oversight Committee met on March 1, 2023 to receive the FY21/22 financial statements and independent auditor's report prepared by the independent Measure S auditor (Badawi & Associates) and adopted Resolution No. MS2023-02, A Resolution of the Crescent City Measure S Oversight Committee approving a report on Measure S Funds for Fiscal Year 2021-2022; and

WHEREAS, the Measure S Oversight Committee met on March 29, 2023 to receive an update from the City Manager on proposed amendments to the FY 22/23 recommended expenditures, review of the five-year plan for Measure S revenues, and funding needs / department requests for the FY 23/24 budget, and

WHEREAS, the Measure S Oversight Committee finds the recommended expenditures to be an appropriate use of Measure S funds, which are intended to support the City's Fire Department, Police Department, streets, and swimming pool.


NOW, THEREFORE, BE IT RESOLVED, by the Crescent City Measure S Oversight Committee that the FY 23/24 Expenditure Recommendations for Measure S funds as set forth on Exhibit A, attached hereto, are hereby adopted.

PASSED AND ADOPTED and made effective the same day by the Crescent City Measure S Oversight Committee on this 10th day of April 2023, by the following polled vote:

AYES: Committee Members Reno, Shamblin, Tinkler and Chairman Perry
NOES: None
ABSTAIN: None
ABSENT: None


Ernie Perry, Chair

ATTEST:


Robin Altman, City Clerk

Measure S Oversight Committee

Fiscal Year 2023/2024

Expenditure Recommendations

Resolution No. MS 2023-03

Exhibit A

Fire Department (\$575,587)

Fund Three Fire Captains for Engine Response Coverage	\$ 388,302*
Continue Volunteer Stipend Program	\$ 99,803*
Volunteer Station Staffing Program	\$ 39,544*
Increased Training Program	\$ 20,000*
Apparatus / Vehicle Replacement Fund	\$ 98,000
Small Equipment Replacement	\$ 10,000
SCBA Replacement	\$ 200,000*
Turnout Replacement	\$ 50,000*
SCBA - Set Aside	\$ 65,000*
Turnout - Set Aside	\$ 25,000*
Quick Response Vehicle Set Aside	\$ 90,000
*Crescent Fire Protection District Reimbursement for shared cost items	(\$510,062)

Police Department (\$474,917)

Fund Two Additional Patrol Officers	\$ 200,093
Detective Assignment (1/1/24)	\$ 3,460
2 nd K9 Officer (Supplies, Officer Training)	\$ 8,000
3 rd K9 Officer (Initial Costs, Supplies, Officer Training) (1/1/24)	\$ 19,000
Body & Tasers (Premium)	\$ 47,250
Vehicle Replacement	\$ 80,000
Vehicle Dash Cameras	\$ 36,614
Medical Supplies	\$ 5,000
Defensive Tactics Training Suit	\$ 3,000
City Incident Command Equipment	\$ 5,000
Secure Vehicle Storage Equipment	\$ 7,500
Capital Facility Improvement Fund	\$ 60,000

Street Improvements (\$935,000)

Pothole / Crack Seal / Minor Repairs	\$100,000
Sidewalk Repairs	\$100,000
Striping	\$ 40,000
Streetlight Repair	\$ 40,000
Street Repair Equipment (Crack Seal Machine)	\$ 40,000
Street Repair Equipment (Striping Machine)	\$ 10,000
Street Preservation Project Construction	\$600,000

Measure S Oversight Committee
Resolution No. MS 2023-03, Exhibit A

Fred Endert Swimming Pool (\$575,000)

Operations (Personnel / Electricity / Propane Costs)	\$325,000
Locker Room Flooring	\$ 20,000
Pool Deck Surfacing	\$170,000
Front Office Security Improvements	\$ 10,000
Parts / Supplies / Equipment	\$ 50,000

Including:

*Hydration station
Spa filter
Pool filter
Gel and membranes
Bleachers
Pool recirculation pump & motor
Chemical probes
Replacement slide pump*

Finance Department (\$7,500)

Sales tax consultant (ongoing audit and projections)	\$ 5,000
Independent audit	\$ 2,500

Total Recommended FY23/24 Measure S Expenditures **\$2,568,004***

*Including Crescent Fire Protection District Reimbursement

The Committee recognizes that actual expenditures may vary from the recommended amounts, due to staffing (timing of new hires, actual cost of benefits, experience level of new hires, etc.), actual costs of purchases, and timing of projects. Recommended projects may be carried forward to the next fiscal year if not completed in this year.

RESOLUTION NO. MS2023-04

A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE AMENDING THE RECOMMENDED EXPENDITURES OF MEASURE S FUNDS FOR FY 23/24

WHEREAS, on November 2, 2020, the voters of the City of Crescent City approved Measure S, an ordinance imposing a local 1.0% Transactions and Use Tax; and

WHEREAS, Measure S requires a citizens' oversight committee to review and report on Measure S revenues and expenditures; and

WHEREAS, the Measure S Oversight Committee met in 2021 to establish a 5-year plan for funding projects with Measure S funds; and

WHEREAS, the Measure S Oversight Committee has made expenditure recommendations in FY 21/22, FY 22/23, and FY 23/24 based upon the 5-year plan as well as other needs and projects brought before the Committee; and

WHEREAS, the Measure S Oversight Committee has met throughout each fiscal year to receive revenue and expenditure updates as well as to hear requests for additional or different expenditures and has amended its recommendations from time to time; and

WHEREAS, the Measure S Oversight Committee met on March 1, 2023 to receive the FY21/22 financial statements and independent auditor's report prepared by the independent Measure S auditor (Badawi & Associates) and adopted Resolution No. MS2023-02, A Resolution of the Crescent City Measure S Oversight Committee approving a report on Measure S Funds for Fiscal Year 2021-2022; and

WHEREAS, the Measure S Oversight Committee met on March 29, 2023 to receive an update from the City Manager on proposed amendments to the FY 22/23 recommended expenditures, review of the five-year plan for Measure S revenues, and funding needs / department requests for the FY 23/24 budget, and

WHEREAS, On April 10th the Measure S Oversight Committee adopted Resolution MS2023-03 stating the FY 23/24 Expenditure Recommendations for Measure S funds.

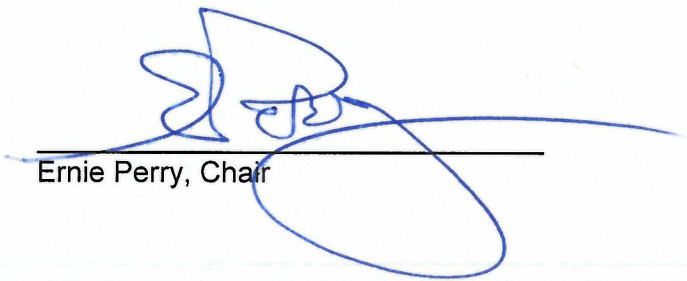
WHEREAS, the Measure S Oversight Committee met on November 14, 2023 to receive an update from the City Manager on FY22/23 expenditures and proposed FY22/23 to FY 23/24 rollover budget amendments for projects that were not completed by June 30th, 2023; and

WHEREAS, the Measure S Oversight Committee finds the recommended expenditures to be an appropriate use of Measure S funds, which are intended to support the City's Fire Department, Police Department, streets, and swimming pool.

NOW, THEREFORE, BE IT RESOLVED, by the Crescent City Measure S Oversight Committee that the amended FY 23/24 Expenditure Recommendations for Measure S funds as set forth on Exhibit A, attached hereto, are hereby adopted.

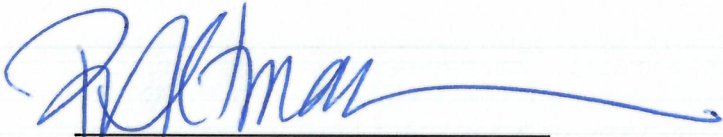
PASSED AND ADOPTED and made effective the same day by the Crescent City Measure S Oversight Committee on this 14th day of November 2023, by the following polled vote:

AYES: Committee Members Reno, Shamblin, Tinkler, and Chairman Perry
NOES: None
ABSTAIN: None
ABSENT: None



Ernie Perry, Chair

ATTEST:



Robin Altman, City Clerk

Measure S Oversight Committee

Fiscal Year 2023/2024
Expenditure Recommendations
Resolution No. MS 2023-04
Exhibit A
Amended 11/14/2023

Fire Department (\$707,208 net expense)

Fund Three Fire Captains for Engine Response Coverage	\$ 402,140*
Continue Volunteer Stipend Program	\$ 101,502*
Volunteer Station Staffing Program	\$ 40,218*
Increased Training Program	\$ 20,000*
Apparatus / Vehicle Replacement Fund	\$ 98,000
Small Equipment Replacement	\$ 10,000
SCBA Replacement	\$ 100,000
Turnout Replacement	\$ 50,000*
SCBA - Set Aside	\$ 32,500
Turnout - Set Aside	\$ 25,000*
Quick Response Vehicle Set Aside	\$ 90,000

Rollover Items From FY22/23

Radios	\$ 75,000*
SCBA compressor for City station	\$ 65,000
Skid-mounted pump	\$ 12,500

*Crescent Fire Protection District Reimbursement for shared cost items (\$414,652)

Police Department (\$495,936)

Fund Two Additional Patrol Officers	\$ 203,589
Detective Assignment (1/1/24)	\$ 3,483
2 nd K9 Officer (Supplies, Officer Training)	\$ 8,000
3 rd K9 Officer (Initial Costs, Supplies, Officer Training) (1/1/24)	\$ 19,000
Body & Tasers (Premium)	\$ 47,250
Vehicle Replacement	\$ 80,000
Vehicle Dash Cameras	\$ 36,614
Medical Supplies	\$ 5,000
Defensive Tactics Training Suit	\$ 3,000
City Incident Command Equipment	\$ 5,000
Secure Vehicle Storage Equipment	\$ 7,500
Debt Service	\$ 0
Capital Facility Improvement Fund	\$ 60,000

Rollover Items From FY22/23

Radios	\$ 17,500
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Measure S Oversight Committee
Resolution No. MS 2023-04, Exhibit A

Street Improvements (\$1,128,673)

Pothole / Crack Seal / Minor Repairs	\$100,000
Sidewalk Repairs	\$100,000
Striping	\$ 40,000
Streetlight Repair	\$ 40,000
Pavement Management	\$ 5,000
Street Repair Equipment (Crack Seal Machine)	\$ 40,000
Street Repair Equipment (Striping Machine)	\$ 10,000
Street Preservation Project Construction	\$600,000

Rollover Items From FY22/23

Pot hole, crack seal, minor repairs	\$ 75,944
Sidewalk repairs	\$ 89,384
Striping	\$ 28,345

Fred Endert Swimming Pool (\$575,000)

Operations (Personnel / Electricity / Propane Costs)	\$325,000
Locker Room Flooring	\$ 20,000
Pool Deck Surfacing	\$170,000
Front Office Security Improvements	\$ 10,000
Parts / Supplies / Equipment	\$ 50,000

Including:

*Hydration station
Spa filter
Pool filter
Gel and membranes
Bleachers
Pool recirculation pump & motor
Chemical probes
Replacement slide pump
Industrial floor cleaner*

Finance Department (\$7,500)

Sales tax consultant (ongoing audit and projections)	\$ 5,000
Independent audit	\$ 2,500

Total Recommended FY23/24 Measure S Expenditures (Net) \$2,914,319*

*Including Crescent Fire Protection District Reimbursement

Measure S Oversight Committee
Resolution No. MS 2023-04, Exhibit A

The Committee recognizes that actual expenditures may vary from the recommended amounts, due to staffing (timing of new hires, actual cost of benefits, experience level of new hires, etc.), actual costs of purchases, and timing of projects. Recommended projects may be carried forward to the next fiscal year if not completed in this year.

RESOLUTION NO. MS2024-02

A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE AMENDING THE RECOMMENDED EXPENDITURES OF MEASURE S FUNDS FOR FY 23/24

WHEREAS, on November 2, 2020, the voters of the City of Crescent City approved Measure S, an ordinance imposing a local 1.0% Transactions and Use Tax; and

WHEREAS, Measure S requires a citizens' oversight committee to review and report on Measure S revenues and expenditures; and

WHEREAS, the Measure S Oversight Committee met in 2021 to establish a 5-year plan for funding projects with Measure S funds; and

WHEREAS, the Measure S Oversight Committee has made expenditure recommendations in FY 21/22, FY 22/23, and FY 23/24 based upon the 5-year plan as well as other needs and projects brought before the Committee; and

WHEREAS, the Measure S Oversight Committee has met throughout each fiscal year to receive revenue and expenditure updates as well as to hear requests for additional or different expenditures and has amended its recommendations from time to time; and

WHEREAS, the Measure S Oversight Committee met on March 1, 2023 to receive the FY21/22 financial statements and independent auditor's report prepared by the independent Measure S auditor (Badawi & Associates) and adopted Resolution No. MS2023-02, A Resolution of the Crescent City Measure S Oversight Committee approving a report on Measure S Funds for Fiscal Year 2021-2022; and

WHEREAS, the Measure S Oversight Committee met on March 29, 2023 to receive an update from the City Manager on proposed amendments to the FY 22/23 recommended expenditures, review of the five-year plan for Measure S revenues, and funding needs / department requests for the FY 23/24 budget, and

WHEREAS, On April 10, 2023 the Measure S Oversight Committee adopted Resolution MS2023-03 stating the FY 23/24 Expenditure Recommendations for Measure S funds.

WHEREAS, the Measure S Oversight Committee met on November 14, 2023 to receive an update from the City Manager on FY22/23 expenditures and proposed FY22/23 to FY 23/24 rollover budget amendments for projects that were not completed by June 30th, 2023; and

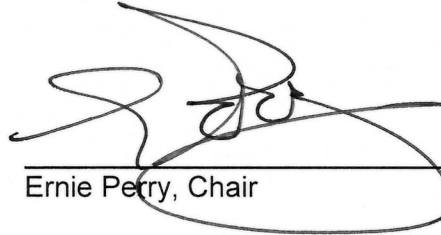
WHEREAS, the Measure S Oversight Committee met on April 30, 2024 to receive an update from the City Manager on FY23/24 expenditures and proposed amendments to the FY23/24 budget including the Pool capital improvements and removing the expense of purchasing a crack seal machine due to City staff capacity; and

WHEREAS, the Measure S Oversight Committee finds the recommended expenditures to be an appropriate use of Measure S funds, which are intended to support the City's Fire Department, Police Department, streets, and swimming pool.

NOW, THEREFORE, BE IT RESOLVED, by the Crescent City Measure S Oversight Committee that the amended FY 23/24 Expenditure Recommendations for Measure S funds as set forth on Exhibit A, attached hereto, are hereby adopted.

PASSED AND ADOPTED and made effective the same day by the Crescent City Measure S Oversight Committee on this 30th day of April 2024, by the following polled vote:

AYES: Committee Members Reno, Shamblin, Tinkler and Chairman Perry
NOES: None
ABSTAIN: None
ABSENT: None



Ernie Perry, Chair

ATTEST:



Robin Altman, City Clerk

Measure S Oversight Committee

Fiscal Year 2023/2024
Expenditure Recommendations
Resolution No. MS 2024-02
Exhibit A
Amended 04/30/2024

Fire Department (\$695,569 net expense)

Fund Three Fire Captains for Engine Response Coverage	\$ 377,140*
Continue Volunteer Stipend Program	\$ 101,536*
Volunteer Station Staffing Program	\$ 40,230*
Increased Training Program	\$ 20,000*
Apparatus / Vehicle Replacement Fund	\$ 98,000
Small Equipment Replacement	\$ 10,000
SCBA Replacement	\$ 100,000
Turnout Replacement	\$ 50,000*
SCBA - Set Aside	\$ 32,500
Turnout - Set Aside	\$ 25,000*
Quick Response Vehicle Set Aside	\$ 90,000

Rollover Items From FY22/23

Radios	\$ 75,000*
SCBA compressor for City station	\$ 65,000
Skid-mounted pump	\$ 12,500

*Crescent Fire Protection District Reimbursement for shared cost items (\$401,260)

Police Department (\$489,811)

Fund Two Additional Patrol Officers	\$ 198,698
Detective Assignment (1/1/24)	\$ 2,249
2 nd K9 Officer (Supplies, Officer Training)	\$ 8,000
3 rd K9 Officer (Initial Costs, Supplies, Officer Training) (1/1/24)	\$ 19,000
Body & Tasers (Premium)	\$ 47,250
Vehicle Replacement	\$ 80,000
Vehicle Dash Cameras	\$ 36,614
Medical Supplies	\$ 5,000
Defensive Tactics Training Suit	\$ 3,000
City Incident Command Equipment	\$ 5,000
Secure Vehicle Storage Equipment	\$ 7,500
Debt Service	\$ 0
Capital Facility Improvement Fund	\$ 60,000

Rollover Items From FY22/23

Radios	\$ 17,500
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Measure S Oversight Committee
Resolution No. MS 2024-02, Exhibit A

Street Improvements (\$1,088,673)

Pothole / Crack Seal / Minor Repairs	\$100,000
Sidewalk Repairs	\$100,000
Striping	\$ 40,000
Streetlight Repair	\$ 45,000**
Pavement Management	\$ 0**
Street Repair (Crack Seal Machine)	\$ 0**
Street Repair Equipment (Striping Machine)	\$ 10,000
Street Preservation Project Construction	\$600,000

Rollover Items From FY22/23

Pot hole, crack seal, minor repairs	\$ 75,944
Sidewalk repairs	\$ 89,384
Striping	\$ 28,345

** Amended 4.30.24

Fred Endert Swimming Pool (\$575,000)

Operations (Personnel / Electricity / Propane Costs)	\$325,000
Locker Room Flooring	\$ 20,000
Pool Deck Surfacing	\$170,000
Front Office Security Improvements	\$ 10,000
Pool HVAC Project	\$ 30,000**
Parts / Supplies / Equipment	\$ 20,000**

Including:

- Hydration station*
- Spa / Pool filters*
- Gel and membranes*
- Bleachers*
- Pool recirculation pump & motor*
- Chemical probes*

** Amended 4.30.24

Finance Department (\$7,500)

Sales tax consultant (ongoing audit and projections)	\$ 5,000
Independent audit	\$ 2,500

Total Recommended FY23/24 Measure S Expenditures (Net) \$2,856,553* **

*Including Crescent Fire Protection District Reimbursement

**Amended 4.30.24

The Committee recognizes that actual expenditures may vary from the recommended amounts, due to staffing (timing of new hires, actual cost of benefits, experience level of new hires, etc.), actual costs of purchases, and timing of projects. Recommended projects may be carried forward to the next fiscal year if not completed in this year.

Measure S Expenditures FY 22-23

	FY 23-24 Budgeted Expenditure	FY 23-24 Budgeted Reimb	FY 23-24 Budgeted Net	FY 23-24 Actual Expenditure	FY 23-24 Actual Reimb	FY 23-24 Actual Net
Fire						
Volunteer stipends, station overnight staffing program	141,764	105,574	36,190	102,375	76,240	26,134
Full-time Captain positions	377,065	201,730	175,335	366,813	196,245	170,568
Training and volunteer recruitment / retention	20,000	10,700	9,300	511	273	238
Equipment						
SCBA and turnouts	150,000	26,750	123,250	48,469	25,931	22,538
Radios	75,000	40,125	34,875	75,366	40,321	35,045
SCBA compressor for City station	65,000	-	65,000	61,231	-	61,231
Skid-mounted pump	12,500	-	12,500	11,843	-	11,843
Small tools and equipment	10,000	5,350	4,650	8,771	4,692	4,078
Transfer to apparatus and vehicle replacement fund	188,000	-	188,000	188,000	-	188,000
Transfer to replacement fund (turnouts)	25,000	13,375	11,625	25,000	13,375	11,625
Transfer to replacement fund (SCBA)	32,500	-	32,500	32,500	-	32,500
Adjust for timing of reimbursement received next year			-		(9,120)	9,120
	<u>1,096,829</u>	<u>403,604</u>	<u>693,225</u>	<u>920,879</u>	<u>347,958</u>	<u>572,921</u>

Measure S Expenditures FY 22-23

	FY 23-24 Budgeted Expenditure	FY 23-24 Budgeted Reimb	FY 23-24 Budgeted Net	FY 23-24 Actual Expenditure	FY 23-24 Actual Reimb	FY 23-24 Actual Net
Police						
Police officers / recruits	203,589		203,589	180,492		180,492
Detective assignment	3,483		3,483	2,818		2,818
K9 support	27,000		27,000	21,003		21,003
Body cameras and tasers	47,250		47,250	46,970		46,970
Dash cameras	36,614		36,614	36,637		36,637
Equipment						
Radios (grant match)	17,500		17,500	16,049		16,049
Medical supplies	5,000		5,000	2,876		2,876
DTAC (training) suit	3,000		3,000	2,144		2,144
Incident command setup	5,000		5,000	3,592		3,592
Vehicle storage	7,500		7,500	10,700		10,700
Transfer to vehicle replacement fund	80,000		80,000	80,000		80,000
Transfer to CIP fund for facility improvements	60,000		60,000	60,000		60,000
	<u>495,936</u>	-	<u>495,936</u>	<u>463,279</u>	-	<u>463,279</u>

Measure S Expenditures FY 22-23

	FY 23-24 Budgeted Expenditure	FY 23-24 Budgeted Reimb	FY 23-24 Budgeted Net	FY 23-24 Actual Expenditure	FY 23-24 Actual Reimb	FY 23-24 Actual Net
Streets						
Pot hole, crack seal, minor repairs	175,944		175,944	112,539		112,539
Sidewalk repairs	189,384		189,384	23,245		23,245
Striping	68,345		68,345	67,286		67,286
Street lights	45,000		45,000	27,571		27,571
Equipment	10,000		10,000	5,812		5,812
Transfer to CIP fund for large street project	600,000		600,000	525,000		525,000
Transfer to CIP fund for Front Street	-		-	75,000		75,000
	<u>1,088,673</u>	-	<u>1,088,673</u>	<u>836,453</u>	-	<u>836,453</u>

Measure S Expenditures FY 22-23

	FY 23-24 Budgeted Expenditure	FY 23-24 Budgeted Reimb	FY 23-24 Budgeted Net	FY 23-24 Actual Expenditure	FY 23-24 Actual Reimb	FY 23-24 Actual Net
Pool						
Operations (personnel, utilities, etc.)	325,000		325,000	303,274		303,274
Parts, supplies, equipment, repairs	20,000		20,000	17,308		17,308
Front office security	10,000		10,000	4,884		4,884
Transfer to CIP fund for locker room flooring	20,000		20,000	20,000		20,000
Transfer to CIP fund for HVAC / dehumidification project	30,000		30,000	30,000		30,000
Transfer to CIP fund for pool deck replacement	170,000		170,000	170,000		170,000
	575,000	-	575,000	545,466	-	545,466

Measure S Expenditures FY 22-23

	FY 23-24 Budgeted Expenditure	FY 23-24 Budgeted Reimb	FY 23-24 Budgeted Net	FY 23-24 Actual Expenditure	FY 23-24 Actual Reimb	FY 23-24 Actual Net
Finance						
Sales tax consultant (auditing and projections)	5,000		5,000	2,817		2,817
Independent annual audit	2,500		2,500	2,500		2,500
	7,500	-	7,500	5,317	-	5,317
Total expenditures	3,263,938	403,604	2,860,334	2,771,394	347,958	2,423,436

Measure S - Transfers

	FY22 Transfer	FY22 Exp	FY22 Balance	FY23 Transfer	FY23 Exp	FY23 Balance	FY24 Transfer	FY24 Exp	FY24 Balance
CIP Fund									
Police - PD facility	50,000		50,000	80,000	18,085	111,915	60,000	64,004	107,911
Fire - Fire Hall improvements	40,000	3,523	36,477	10,000		46,477		12,038	34,439
Streets - street preservation project	250,000		250,000	250,000	487,714	12,286	525,000		537,286
Streets - Front Street	516,233	12,023	504,210		359,019	145,191	75,000	120,140	100,051
Streets - sidewalk project (HSIP)			-			-			-
Pool - HVAC	516,233		516,233		67,451	448,782	65,162	70,385	443,559
Pool - locker room flooring			-	130,000		130,000	(64,171)		65,829
Pool - pool deck			-			-	219,009		219,009
Fire Vehicle / Equip Fund									
Apparatus replacement	98,000		98,000	38,000		136,000	98,000		234,000
SCBA replacement			-			-	32,500		32,500
Turnout replacement			-			-	25,000		25,000
Quick response vehicle			-			-	90,000		90,000
Command vehicle			-			-			-
Police Vehicle Fund	115,000	58,781	56,219	190,000	225,153	21,066	80,000	98,831	2,235
Debt Service Fund			-			-			-
Total	1,585,466	74,327	1,511,139	698,000	1,157,422	1,051,717	1,205,500	365,398	1,891,819

City of Crescent City

Measure S Sales Tax

Crescent City, California

*Financial Statements and
Independent Auditor's Reports*

For the year ended June 30, 2024

City of Crescent City
Measure S Sales Tax
Financial Statements
For the year ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Crescent City
Crescent City, California

Opinion

We have audited the accompanying financial statements of the Measure S Sales Tax (Measure S Sales Tax) of the City of Crescent City (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements as listed in the table of contents.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Measure S Sales Tax of the City as of June 30, 2024 and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Measure S Sales Tax and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2024, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes

our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Measure S Sales Tax of the City. The budgetary comparison schedule is presented for purposes of additional analysis and is not a required part of the financial statements.

The budgetary comparison schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally

To the Honorable Mayor and Members of the City Council
of the City of Crescent City
Crescent City, California
Page 3

accepted in the United States of America. In our opinion, the budgetary comparison schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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Badawi & Associates, CPAs
Berkeley, California
December 30, 2024

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City of Crescent City
Measure S Sales Tax
Balance Sheet
June 30, 2024

ASSETS

Cash and investments	\$	568,524
Taxes receivable		403,549
Accounts receivable		208,949
Total assets	\$	1,181,022

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

Liabilities:

Accounts payable	\$	61,519
Accrued salaries and benefits		47,362
Total liabilities		108,881

Deferred inflows of resources:

Unavailable revenues		9,048
Total deferred inflows of resources		9,048

Fund balance:

Assigned		1,063,093
Total fund balance		1,063,093

Total liabilities, deferred inflows of resources, and fund balance	\$	1,181,022
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City of Crescent City
Measure S Sales Tax
Statement of Revenues, Expenditures and Changes in Fund Balance
For the year ended June 30, 2024

REVENUES:

Measure S sales tax	\$ 2,345,019
Charges for services	347,958
Total revenues	<u>2,692,977</u>

EXPENDITURES:

Human services and recreation	545,466
Public Safety - Fire	920,879
Public Safety - Police	463,279
Public Works	836,453
Other	5,317
Total expenditures	<u>2,771,394</u>

Net change in fund balance	(78,417)
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FUND BALANCE:

Beginning of year	<u>1,141,510</u>
End of year	<u><u>\$ 1,063,093</u></u>

See accompanying Notes to Financial Statements.

City of Crescent City
Measure S Sales Tax
Notes to Financial Statements
For the year ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Reporting Entity*

All transactions of the Measure S sales tax (Measure S) are reported in the General Fund (Fund) of the City of Crescent City, California (City). A separate set of accounts have been established by the City, to account for revenues earned and expenditures incurred according to Measure S. The accompanying financial statements are for the Measure S sales tax only and are not intended to fairly present the financial position of the City.

B. *Basis of Accounting and Measurement Focus*

The accompanying financial statements are prepared on the modified accrual basis of accounting. Revenues are generally recorded when measurable and available (60 days), and expenditures are recorded when the related liabilities are incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus, wherein only current assets and current liabilities generally are included on the balance sheet. Operating statements of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

C. *Fund Accounting*

The operations of the Measure S sales tax are accounted for as part of the General Fund. Funds are separate accounting entities with a set of self-balancing accounts which comprise their assets, liabilities, fund equity, revenues, and expenditures.

D. *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

E. *Revenues and Receivables*

During the course of normal operations, the General fund carries a receivable balance for Measure S sales tax. Revenues are recorded when received in cash, except revenues subject to accrual (generally 60 days after year-end) are recognized when due.

City of Crescent City
Measure S Sales Tax
Notes to Financial Statements
For the year ended June 30, 2024

2. CASH AND INVESTMENTS

Measure S monies are pooled with the City's cash, cash equivalents, and investments. The City pools cash resources from all funds to facilitate the management of cash. Cash and cash equivalents are considered amounts on hand, in demand deposits, and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments". The City invests in one external investment pool, the State of California Local Agency Investment Fund (LAIF).

All pooled cash and investments held by the City are considered cash and cash equivalents because LAIF is used essentially as demand deposits from the standpoint of the City. Information about the City's Cash and Investments is disclosed in the City's Basic Financial Statement.

Measure S cash and investments was \$568,524 as of June 30, 2024.

3. MEASURE S SALES TAX

The City placed Measure S (a 1% local tax measure) on the ballot for the November 3, 2020 general election. This transactions and use tax (generally referred to as a sales tax) is intended to support and maintain essential services including the City's police and fire departments, street maintenance and repair, and the operations of the municipal swimming pool. Measure S is a general tax, which requires voter approval of at least 50% +1. The voters of Crescent City approved the measure with 64.57% voting yes.

One of the requirements included with the Measure S ordinance is a citizens' oversight committee. The committee is made up of five voting members (City residents) and two non-voting members (City staff). The committee is charged with reviewing and reporting to the public on the revenues and expenditures of Measure S funds. The committee is also charged with making recommendations on the expenditure of Measure S funds to the City Council. All Measure S oversight committee meetings are open to the public. For the fiscal year ended June 30, 2024, the oversight committee recommended Measure S be spent on public pool operations and projects, additional firefighters and police, specific equipment for the fire and police departments, street repairs, and financial oversight.

4. RECEIVABLES

The taxes receivables represent the Measure S sales tax revenues for the fiscal year remitted after June 30, 2024.

Accounts receivables represent charges for services for work performed for other entities.

SUPPLEMENTARY INFORMATION

City of Crescent City
Supplementary Information
Measure S Sales Tax
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Measure S sales tax	\$ 2,300,000	\$ 2,300,000	\$ 2,345,019	\$ 45,019
Charges for services	414,652	401,260	347,958	(53,302)
Total revenues	2,714,652	2,701,260	2,692,977	(8,283)
EXPENDITURES:				
Human services and recreation	575,000	575,000	545,466	29,534
Public Safety - Fire	1,044,360	1,096,829	920,879	175,950
Public Safety - Police	418,435	489,811	463,279	26,532
Public Works	935,000	1,088,673	836,453	252,220
Other	7,500	7,500	5,317	2,183
Total expenditures	2,980,295	3,257,813	2,771,394	486,419
Net change in fund balance	\$ (265,643)	\$ (556,553)	(78,417)	\$ 478,136
FUND BALANCE:				
Beginning of year			1,141,510	
End of year			\$ 1,063,093	

City of Crescent City
Measure S Sales Tax
Supplementary Information
For the year ended June 30, 2024

1. BUDGETS AND BUDGETARY ACCOUNTING

The City Council has the responsibility for adoption of the City's budget. Budgets are adopted for governmental and proprietary funds. From the effective date of the budget, the amounts stated as proposed expenditures become appropriations to the various City departments. The City Council may amend the budget by resolution during each fiscal year. The City Manager is authorized to transfer funds from one major expenditure category to another within the same department and fund. Any revisions that alter the total expenditures for any fund must be approved by the City Council.

All appropriations lapse at the end of the fiscal year to the extent that they have not been expended.

Budgetary comparison is provided in the accompanying financial statements for the Measure S sales tax, which is budgeted within the City's General Fund.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Crescent City
Crescent City, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Measure S Sales Tax as of and for the year ended June 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated December 30, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

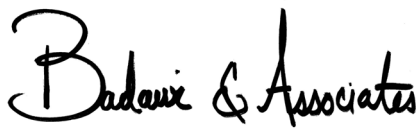
To the Honorable Mayor and Members of the City Council
of the City of Crescent City
Crescent City, California
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Measure S Sales Tax financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates, CPAs
Berkeley, California
December 30, 2024

RESOLUTION NO. MS2025-01

**A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE
APPROVING A REPORT ON MEASURE S FUNDS FOR FISCAL YEAR 2023-2024**

WHEREAS, the voters of the City of Crescent City passed Measure S in November 2020 imposing a 1.0% transactions and use tax (“sales tax”) to be imposed within the City limits; and

WHEREAS, Measure S requires that the City have an oversight committee made up of two-non-voting staff members and five voting city residents, appointed by the Mayor and confirmed by the City Council; and

WHEREAS, Measure S also requires that the oversight committee report publicly on an annual basis regarding the expenditure of Measure S revenues; and

WHEREAS, the City’s independent auditor, Badawi & Associates, has completed a separate audit of Measure S funds for FY 2023-2024; and

WHEREAS, the auditor’s report has been provided to the Measure S Oversight Committee; and

WHEREAS, City staff have also provided the Measure S Oversight Committee with detailed information on the revenues and expenditures of Measure S funds for FY 2023-2024; and

WHEREAS, the Measure S Oversight Committee has met in a duly noticed public meeting and considered the information presented thereat.

NOW, THEREFORE, BE IT RESOLVED by the Crescent City Measure S Oversight Committee that the attached Measure S Committee Report for FY 2023-2024 is hereby approved.

APPROVED and ADOPTED and made effective the same day by the Crescent City Measure S Oversight Committee at a meeting thereof held on this 11th day of February 2025 by the following polled vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Ernest Perry, Chairperson

ATTEST:

Robin Altman, City Clerk



MEASURE S OVERSIGHT COMMITTEE AGENDA REPORT

TO: MEMBERS OF THE MEASURE S OVERSIGHT COMMITTEE

FROM: ERIC WIER, CITY MANAGER

DATE: FEBRUARY 11, 2025

SUBJECT: MEASURE S FY25 PROJECT UPDATES

RECOMMENDATION

- Hear presentation
- Technical questions from the Committee
- Receive public comment
- Further Committee discussion
- Receive updates on multiple FY24/25 Measure S Projects and expenditures – no action requested

This item will be a presentation from City Manager Wier.



MEASURE S OVERSIGHT COMMITTEE AGENDA REPORT

TO: MEMBERS OF THE MEASURE S OVERSIGHT COMMITTEE

FROM: ERIC WIER, CITY MANAGER

BY: ROBIN ALTMAN, CITY CLERK/ADMINISTRATIVE ANALYST

DATE: FEBRUARY 11, 2025

SUBJECT: SELECTION OF CHAIR AND VICE CHAIR

RECOMMENDATION

- Hear staff report
- Technical questions from the Committee
- Receive public comment
- Further Committee discussion
- Select a Chair and Vice Chair to serve for the next year

BACKGROUND

Annually, the Measure S Oversight Committee will select a Chair and Vice Chair to serve for that year. The roles of Chair and Vice Chair are outlined within the Bylaws of the Crescent City Measure S Oversight Committee as follows:

ARTICLE II – OFFICERS

Section 1: Officers

The officers of the Committee will consist of a Chairperson and a Vice Chairperson, who will be elected in the manner set forth in this Article II.

Section 2: Chairperson

The Chairperson will preside at all meetings of the Committee, and may submit such agenda, recommendations and information at such meetings as are reasonable and proper for the conduct of the business affairs and policies of the Committee. The Chairperson may sign documents necessary to carry out the business of the Committee.

Section 3: Vice-Chairperson

The Vice Chairperson is to perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In the event of the death, resignation or removal of the Chairperson, the Vice Chairperson will assume the Chairperson's duties until such time as the Committee elects a new Chairperson.

Section 4: Additional Duties

The officers of the Committee will perform such other duties and functions as may from time to time be required by the Committee, these Bylaws, or other rules and regulations, or which duties and functions are incidental to the office held by such officers.

Section 5: Election

The Chairperson and Vice Chairperson will initially be elected from among the members of the Committee at the Committee's first meeting. Thereafter, the Chairperson and Vice Chairperson will be elected from among the members of the Committee annually. The regular term of appointment for both officers will be one (1) year. Officers of the Committee hold office until their successors are selected. Any such officer will not be prohibited from succeeding him or herself.

The selection of Chair is traditionally chosen first with the Vice Chair being chosen second. Staff suggest the following nomination / selection procedure:

1. Nominations for Chair: Any member of the Committee may nominate any sitting committee member to serve as Chair. Said nominated committee member shall either accept or decline the nomination. Once all nominations have been made, the then presiding Chair shall announce that nominations are closed and the names of those committee members that have accepted their nomination.
2. Appointment of Chair: Any member of the Committee may then make a motion to appoint any one of the nominees as Chair. Standard motion procedures apply (see below).
3. Nominations for Vice Chair: Any member of the Committee may nominate any sitting committee member to serve as Vice Chair except the member chosen to serve as Mayor. Said nominated committee member shall either accept or decline the nomination. Once all nominations have been made, the then presiding Chair shall announce that nominations are closed and the names of those committee members that have accepted their nomination.
4. Appointment of Vice Chair: Any member of the Committee may then make a motion to appoint any one of the nominees as Vice Chair. Standard motion procedures apply (see below).

- Standard Motion Procedures: Rosenberg Rules of Order state that there can be up to three motions on the floor, simultaneously. The rules of order are as follows: When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed first on the last motion that is made. After discussion and debate, a vote would be taken on the third motion. If this motion passed, no vote would be taken on the first or second motions.